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WEST EUROPE REPORT

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EHMKE ON CONVENTIONAL, BATTLEFIELD NUCLEAR ARMS

Hamburg DER SPIEGEL in German 7 Jun 82 pp 45-56

[Article: "'We Must Share the Nuclear Risk'--Deputy SPD Fraction Chairman Horst Ehmke Talks About NATO Strategy and Disarmament"]

[Text] The strategy debate between the two superpowers is today characterized in the intercontinental context by the development of first strike capabilities and the vulnerability to second strike capabilities.

The relationship between strategic and Eurostrategic weapons is particularly significant in this context. While the two weapons categories must be negotiated about separately, they must be considered together in the final analysis. This togetherness arises from the fact that, in view of the Eurostrategic imbalance, there is a difference of opinion on whether the Soviet SS-20 potential for opposing a Eurostrategic option should be countered by strategic or by Eurostrategic systems.

The Soviets' SS-20 deployment circumvents the SALT agreement by virtue of a range for these missiles which lies below the range specified for "strategic" intercontinental missiles. The argument that the Soviet SS-20 potential is capable, through a selective first strike, of knocking out all NATO medium-range weapons in Western Europe and all missile submarines docked in Western European harbors, is being contradicted by the argument that the USSR has been able to do so for a long time with intercontinental missiles targeted at Western Europe; it would also be able to do so with shorter-range nuclear missiles stationed in Eastern Europe and in the GDR.

This can be answered by saying that shorter range nuclear missiles too must be included in an arms control agreement (the Munich SPD party congress has called for an additional moratorium for missiles of that range). And as far as Soviet intercontinental missiles are concerned, the SS-20 potential makes it superfluous to direct them at European targets, thus making them available for targets in the United States.

In the reverse sense, the strategic balance of power could change by virtue of the fact that the new Eurostrategic U.S. systems--Pershing 2 missiles and land-based cruise missiles--could threaten a part of the Soviets' silo-based intercontinental missiles from Western Europe.

In this respect however there is a considerable difference between Pershing 2 missiles and cruise missiles: while Pershing 2 missiles could, by virtue of their short flying time, knock out Soviet silo-based intercontinental missiles and bombers on air bases in a surprise attack, this would not be the case for cruise missiles because of their longer flying time, even though until now there is no defense against them. Missiles and bombers threatened by cruise missiles could be launched in time.

The main connection between the strategic and Eurostrategic nuclear levels consists of the fact that in both areas first strike capabilities should be reduced rather than further expanded. Also, that the question of whether one should rely on a laborious balance in first strike or second strike capabilities, should be unanimously answered for both areas in favor of second strike capabilities.

At this moment, when negotiations are taking place in Geneva about Eurostrategic weapons and the START negotiations are impending, the strategy debate for the European area is concentrated on the question of whether NATO should declare, unilaterally or in concert with the USSR, that it will not be the first to use nuclear weapons. NATO has maintained since its very beginning that it would never be the first to use nuclear weapons. However, current NATO doctrine provides for first use of nuclear weapons in view of the East Bloc's superiority in conventional weapons in case of an attack on Europe with conventional weapons.

To keep the important debate on this point from getting off the track, it will be necessary to be very careful in formulating the questions: are we talking about first use of intercontinental missiles? Or about first use of Eurostrategic systems (which can reach Soviet territory from Western Europe), or about medium-range missiles (which "cover" Eastern Europe), or only about first use of nuclear battlefield weapons?

Any commitment by NATO never to be the first to use intercontinental nuclear missiles, even when faced with a defeat in conventional warfare in Western Europe, would be tantamount to a disengagement of the U.S. strategic forces and thereby, despite the U.S. soldiers stationed in Europe, tantamount to a disengagement of the United States from the defense of Western Europe.

So long as nuclear arms exist, such a declaration would weaken the credibility of Western deterrence and thereby the stability of European security. As important as is the general relinquishment of nuclear arms for the survival of humanity, this type of Western no-first-use declaration cannot be the first step toward that goal.

The same is true, especially in view of an aggressive Soviet buildup in the area of Eurostrategic missiles and medium range nuclear arms, for nuclear arms of these categories stationed in Western Europe. So long as the USSR has such weapons at its disposal, NATO cannot, in the interest of credibility for Western deterrence, renounce the first use of such weapons in the face of a major conventional East Bloc offensive. In fact, the use of nuclear weapons stationed in Europe in the face of a conventional defeat

would appear even more credible than the use of intercontinental missiles or submarine-based missiles. The latter, irrespective of their targeting, fall into the category of strategic arms.

However, in the area of nuclear battlefield arms, renouncing first use appears possible. This question is firmly tied to strategy, structure and the chances of a conventional defense of Western Europe, and therefore with the doctrines of a "flexible response" and "forward area defense."

But there are different reasons for doubts about first use of such nuclear weapons. On the one side, there are doubts of the usefulness of a first use of these weapons. On the other hand, they appear to provide a good point of departure for renouncing first use.

The first point of view provides additional justification for renouncing first use of these weapons. But to begin with, both aspects of the usefulness of these weapons and the arms control opportunities which they offer must be carefully separated.

As to the usefulness of these weapons: NATO is still storing about 6,000 nuclear battlefield warheads in the FRG, after withdrawing 1,000 nuclear battlefield warheads in response to the withdrawal of a few Soviet tank units from the GDR. Does NATO need all of these weapons, does it need these weapons at all?

First use of nuclear battlefield arms against a conventional breakthrough by East Bloc armed forces is justified in NATO doctrine with Soviet superiority in conventional resources, with the necessity for "forward area defense" (so as not to have to relinquish any German territory) and with the step-by-step theory of "flexible response." But the following misgivings are increasingly being heard against this concept:

--Nuclear battlefield arms must be stationed so far forward that they are not only within range of conventional Soviet arms, but that they could also be quickly overrun in an attack;

--The decision to use these weapons must therefore be made so quickly and with so much local decentralization that there would be the danger of losing touch with the central political level, thus threatening an escalation of the use of nuclear arms, possibly leading up to a nuclear holocaust;

--There are justifiable doubts as to whether first use of nuclear battlefield arms could keep FRG territory from becoming a battleground;

--Nuclear battlefield weapons would almost exclusively be deployed on German soil--partly in the GDR, but predominantly in the FRG--thus giving them a greater "self-deterrance" effect than a deterrence effect;

--Added to the fear of the population of massive concentration of such weapons and of their possible use in Germany and in Central Europe are the

moral misgivings over the fact that it is specifically the West which is postulating first use of such weapons.

On the other hand, the development of conventional weapons technology, e.g., of precision-guided defense weapons, dispersion and saturation weapons, makes a replacement of nuclear battlefield arms appear increasingly possible. Some CDU colleagues--notably Messrs Woerner and Wuerzbach, in two interesting papers dated 21 May 1982--are also considering the feasibility of replacing nuclear battlefield arms to a considerable extent with modern conventional weapons.

But the problem must be considered within a wider frame of reference, as was done in a report by U.S. Senator Nunn on 13 May 1982:

--Is forward area defense truly realistic, or shouldn't we include in our considerations instead of a linear defense rather a defense in depth and out of the rear areas, in order to lend credibility to a conventional deterrence?

--How would this affect the structure of NATO units in Western Europe and the use of the great potential of well trained reservists which is primarily available to the FRG due to its obligatory military service?

--What would be the impact on providing these units with arms, and thus on the procurement policies of NATO (including weapon standardization) and of the Bundeswehr?

These are just a few random questions out of a problem area which is as difficult as it is important. Added to an analysis of the military aspects must be an examination of capabilities required for such a change. This is true with regard to necessary manpower (in the face of a declining demographic curve) as well as with regard to required additional financial resources--a reorientation of our defense would not only take time, but would also cost money.

Nor must we withdraw from the strategic debate in view of the very restricted role for the Bundeswehr indicated by the Long-Term Commission for the next decade. The fact that we are somewhat restricted does not relieve us of the responsibility to again clarify the direction of our security policy with as wide a consensus as possible. The debate has been going on for some time (reference the overview article in SPIEGEL 21/1982, page 80).

The armament program of the Bundeswehr for the 1970's as well as the change in our army structure (which enables us to provide two, and soon four, additional brigades to NATO) prove additionally that we are in any case embarked on strengthening our conventional defense components.

We must however in all frankness say the following to the Americans, who are at the moment pushing the hardest in the NATO strategy debate: you yourselves will have to participate in a strengthening of conventional forces in Europe, which will make possible a far-reaching renunciation of

nuclear battlefield arms--which will probably require the reintroduction of the draft in the United States. A U.S. policy which reserves U.S. troops troops stationed in Western Europe for possible use in the Near East, or even in Southwest Asia, cannot be viewed by Western Europeans as a contribution to the conventional NATO defense in Europe--not to mention threats of removing U.S. troops from Western Europe.

This however does not relieve the Europeans of the necessity to investigate what additional tasks they could shoulder in Europe in case the United States assumes additional tasks and burdens in regions which are of vital importance to Western Europe, though lying outside the NATO area. NATO's European bridgehead could be strengthened, especially in the security policy area, through closer German-French cooperation.

But all these considerations have nothing to do with arms control questions and a strategy of which they are a part. They are questions of military utility which we must think through and decide simply for our own self-interest. But we must keep these questions in the back of our heads if we are to deal with arms control policy problems involving the renunciation of first use of nuclear battlefield arms. The question would not become moot by reducing nuclear battlefield arms, unless we completely renounce these weapons.

The arms control policy question of renouncing first use of nuclear battlefield arms has an entirely different point of departure from that of the foregoing question of the utility of these weapons. As stated above, it derives from the worry that a necessarily early use of nuclear battlefield weapons could lead to an uncontrollable escalation of nuclear weapons use, culminating in an all out nuclear war.

It is true that the doctrine of flexible response aims at being able to stop a conflict at any level of escalation. But this assumption appears questionable, in view of the short time available and the urgency of decisionmaking which would prevail in time of crisis. It appears all the more questionable the more the theoretical categorization of selective use of nuclear weapons becomes "refined." The adversary will hardly consider the neat construction of our theories, especially if he must count on our side making first use of nuclear battlefield arms.

The worry about first use of nuclear battlefield arms leading to a nuclear holocaust and about the fear of such a possibility paralyzing the Western nations' resolve for defense and deterrence has caused respected individuals like McGeorge Bundy, George F. Kennan, Robert S. McNamara and Gerard Smith to pose the question of whether NATO could or should renounce first use of nuclear battlefield arms. Four basic observations must be made in this respect:

First, we must emphasize, in agreement with the above-named authors, that first use cannot be renounced so long as it is not firmly established that a credible conventional deterrence can in fact be produced. A reply to the

question of whether this is possible, and, if so, at what cost, deserves close examination.

Second, Western Europe, and especially the FRG, must consider this question strictly from the standpoint of prevention of war, rather than conduct of war. A "denuclearization" or "conventionalization" of our defense and deterrence planning must not make "Europeanization" of a war, with disengagement of the United States, more likely.

A renunciation of first use of nuclear battlefield arms must not diminish the credibility of Western defense. It must not, like the miniaturization of nuclear weapons, permit us to slide unconsciously from a deterrent strategy into a warfare strategy, because in view of modern weapons technology Central Europe would be completely destroyed even in a "merely" conventional war.

With regard to the efforts of abandoning the credibility of deterrence, the following must be considered in third place: a renunciation of first use is not a renunciation of hardware. It is merely a declaration of intent which the adversary will accept with strong reservations so long as there is a possibility of first use, i.e., so long as NATO has any nuclear battlefield arms at all. Basically, renunciation of first use merely represents a confidence-building measure.

Senator Nunn has therefore in his above cited report logically linked a Western renunciation of first use of nuclear battlefield arms with a confidence-building measure of the East Bloc: if the West is to renounce the possibility of first use of nuclear battlefield arms, the East should--as a reciprocal measure for the protection of the West from surprise attack--renounce the massing of conventional forces, especially tank units, closer than a given distance from the inter-German border.

Fourth, this leads us to the crux of arms control: NATO's renunciation of first use of nuclear battlefield arms would be conditional not only upon an equivalent renunciation by the Warsaw Pact, but also its readiness to contribute to a reduction of its conventional superiorities in Europe by reducing its troops and armaments. These superiorities have been the cause of current NATO doctrine on the necessity for nuclear first use. It is obvious that it will be difficult to reach such an agreement and to verify adherence to it. But this must not deter us from making an honest effort in that direction. Should the USSR be prepared to enter into such an agreement, a further question arises: could both sides, instead of renouncing first use of nuclear battlefield arms, also agree to refrain from stationing such weapons within a certain European zone? In fact, could both sides, in view of the fact that regional restriction is difficult to monitor, renounce nuclear battlefield arms altogether?

In other words: could the presently possible replacement of nuclear battlefield arms by modern conventional weapons entail a possible regionally limited, or even total, renunciation of stationing nuclear battlefield arms, if such replacement were linked with appropriate, verifiable arms control

agreements? Could such a combination lend credibility to a successful conventional defense against a conventional attack, and thereby to deterrence while considerably raising the nuclear threshold?

These considerations lead us back from the area of nuclear battlefield arms into the area of medium range and Eurostrategic range nuclear weapons. Now we are concerned with their significance to Western European security. In view of the size, structure and strategy of East Bloc armed forces, deterrence against conventional East Bloc aggression presupposes adequate conventional defense forces not only within the attack zone. It requires additionally the capability of preventing the introduction of additional forces from Eastern Europe and the USSR for reinforcing the attack waves--by destroying command centers, depots, bridges, railheads, road intersections, etc. This could be accomplished by nuclear intermediate and Eurostrategic range weapons which could be stationed at a considerable distance from the inter-German border.

A strategy of defense and deterrence which could be based upon modern conventional combat capability and an adequate nuclear neutralization capability of such "long distance" weapons could, while renouncing nuclear battlefield weapons, not only considerably raise the nuclear threshold, but could at the same time stop the race for ever smaller, more selective and more sophisticated nuclear battlefield arms.

For the nuclear neutralization weapons of medium and Eurostrategic range, possible first use could not be renounced in such a strategy. In addition, large-scale Soviet weapons production in this area indicates Soviet plans for first strike use.

With regard to such nuclear "long distance weapons," attainment of the zero solution for which NATO is trying in Geneva would considerably reduce the Soviet first strike potential and would, for the West, eliminate the emplacement of Eurostrategic missiles and cruise missiles which could reach the USSR from West European soil. This could contribute to the stabilization of the overall strategic balance. (Nuclear bomb carrying aircraft which can reach the USSR from Western Europe are, unlike missiles and cruise missiles, extremely vulnerable, but must also be included in any agreements.) Medium range nuclear weapons would then remain as the only long-distance weapons for the protection of Europe.

Senator Nunn and CDU colleagues Woerner and Wuerzbach, among others, have raised the question whether these medium range nuclear weapons could in turn not only be reduced in number, but even replaced by modern conventional "long-distance weapons" (cruise missiles with conventional warheads, combat drones, aircraft carrying conventional bombs).

Even that might become technically possible to a large extent. But from a political standpoint, consideration must be given to two possible limitations: the credibility of deterrence and the existence of British and French nuclear weapons.

The existence of an adequate U.S. nuclear capability in Western Europe remains indispensable for a credible deterrence so long as the USSR has an equivalent nuclear potential against West Europe. The decisive factor for making Western deterrence credible is the fact that U.S. nuclear forces in Western Europe are much more securely linking Western European defense with the U.S. strategic forces (which include missile submarines), than this would be possible to accomplish for U.S. conventional forces alone. At this moment there is no prospect of inducing the British and the French to give up their limited nuclear potential--even if we thought that this would be useful. This is reason enough not to visualize Europe as a nuclear weapons free zone, but rather a nuclear free zone within Europe. In such a zone both sides would refrain from stationing nuclear battlefield arms as well as the emplacement of nuclear "long-distance weapons."

From similar considerations, Egon Bahr has developed an intriguing political proposal: we should, while decisively strengthening our conventional deterrence capability (even if this would cost a lot more money), strive in negotiations with the USSR for the creation of a nuclear weapons free zone in Europe, whose members would be all European states except the nuclear states, i.e., the USSR, France and Great Britain. The nuclear powers should then provide a "negative nuclear guarantee" to the states of this zone, i.e., a guarantee that they would not use nuclear weapons against those countries.

This proposal has the advantage of being clearly logical. But upon closer examination, it has some political drawbacks: we would require the nuclear powers' protection for ourselves, without sharing the nuclear risk with them. We would thereby divide the alliance (of which we sometimes fear that the United States wants to separate it into two different areas of protection) into two separate risk zones--with France not even a part of the integrated NATO structure. This could not very well serve the interest of holding the alliance together.

There are also some military considerations which militate against such a proposal: the Netherlands, the Benelux countries, as well as the FRG and Italy are part of the area which would be logical for the emplacement of nuclear "long-distance weapons." Additionally, the credibility of deterrence presupposes the presence of certain U.S. nuclear capabilities in Western Europe, which cannot be replaced by France and Great Britain.

Thus the Palme Commission's report, due to be published one of these days, does not agree with Egon Bahr's proposal. Rather, it proposes a zone free of nuclear battlefield weapons extending 150 km on each side of the inter-German border.

There are many questions which require thorough discussion. Perspectives for this debate are just as necessary as is a firm point of departure. The latter consists of an answer to the question whether there is a possibility of renouncing first use of nuclear battlefield arms, perhaps even the stationing of such arms, by replacing them with modern conventional weapons plus verifiable arms control policy concessions on the part of the Soviet Union.

RESEARCH, POLICY GOALS FOR NATIONAL AGENCY FOR ENERGY CONTROL

Paris L'UNITE in French 30 Apr 82 pp 14-15

[Article by Frederique de Gravelaine: "An Affair of State"]

[Text] By the creation of the National Agency for Energy Control, a producer equal to EDF [French Electrical Company] and CdF [French Coal Board], the government is providing itself with means to achieve a coherent policy.

As provided for, it groups the Agency for Energy Conservation, the COMES (Solar [Energy] Committee), the Geothermal Committee, and the Heat Mission, with funding for 1982 of slightly over 1.3 billion [francs]. Still as provided, for, its president is Michel Rolant, who has come from the CFDT [French Democratic Confederation of Labor], and its managing director, Pierre Cubaud, former director of the Agency for Energy Conservation, who has come from HLM [Low-cost Housing Program]. A scientific director, Philippe Chartier, is in charge of future missions and will name a committee of about 15 scientists.

The field of action of the new agency is very broad: training, technical policies, assessment, research, demonstration operations, industrial policies... A new orientation is proposed for it: diagnostic aid. As the only one involved in its own area, as a public authority possessing unquestionable autonomy, with review power over finances, it [the Agency] is to behave as a producer, on a par with EDR or the Coal Board.

While it is the keystone of the new provisions, it is obviously not the only part of it. Several measures decided upon at a parliamentary debate last October have already been implemented, others are being prepared. In order to encourage firms to invest in the area of energy conservation, 2 billion [francs] worth of highly subsidized loans at 13.5 percent have been made available, a third of which has already been used. The partial freeing of funds has been simplified. Financial establishments that make it possible for firms to equip themselves by leasing without involving their own funds are being implemented (17 of these SOFERGI [expansion unknown] are already operating). The guarantee fund for energy control, available to energy producers, firms and institutional investors, has just been established.

For private individuals, the sum that can be deducted from taxable income due to energy conservation investments has been increased (8,000 francs plus 1,000

francs per dependent) and is no longer figured along with the other deductible work and loans. The savings and housing account can be used for energy and a lesser sum will have to be involved in order to get a loan. Finally, various subsidies and premiums devoted to housing have been reoriented.

To the energy observatory which is charged with statistical studies, to the 100,000 heat pump operation are added various projects still in the planning stages: reinforcement of the thermal regulation for offices and stores, a bill requiring landlords to take care of the thermal updating of buildings as they do for maintenance, a report by finance inspectors which will be delivered next week on the investments required in public buildings, the creation of a NF [French Standard] standard for high energy performance of household appliances. Finally, the National Energy Bank, thanks to the slow-down of the nuclear program, will be able to devote itself to the rational management of energy as well.

While the government is finally creating the new agency, the professionals who are directly involved by the control of energy, are questioning its future, with a bit of a shudder. Worried, pessimistic, among the very groups that sung the praises of solar energy, it is in this climate that the first European Symposium on Energy Conservation and Rediscovered Energies for Housing was held at Paris last April 26 and 27.

The lyrical songs, the promises of a happy and solar world for tomorrow are over. With more modesty, scientists and builders have downgraded their calculations. However, the presentations of specialists from all of the Community countries present at this colloquium are not discouraging, far from it. Because, while solar power is not for right away, nor for the day after tomorrow since a generation at least will be required to see its triumph, much can and must be done right now. And first in the area of energy conservation.

The objectives of the French Government are well-known: to reduce the 93 million tons of petroleum consumed in 1981 to 70 or 75 million by 1990, with nuclear power taking care of practically as much and coal and gas together also as much. That leaves about 10 percent for which much is expected from renewable energy forms.

In order to attain this result, the research effort in favor of solar power as well as in favor of the biomass, geothermal and microhydraulic must triple. And, of course, considerable energy conservation must be achieved: 40 million tOE, half of which is housing and in the service sector.

Today we know with certainty that this effort is possible without any damage to growth. A recent study of the Agency for Energy Conservation notes that, since 1974, the ratio of the growth rate of energy consumption and that of production was 0.26 whereas, before the 1973 crisis, all of the experts considered that a coefficient of 1 was practically inevitable. And, in fact, in 1981 world oil consumption was 40 percent lower than 1972 predictions and 25 percent lower than 1975 predictions.

Such a result cannot be imputed only to economic stagnation. In France, the beginning of daylight savings time makes it possible to conserve 200,000 tOE

each year. As for the weather-heat campaign which made it possible to put off starting up boilers for about a week, it conserved 500,000 tOE during the 1979-80 campaign.

Carry on, beef up the effort. Pierre Cubaud, as director of the Agency for Energy Conservation, insisted: "The conservation methods that are easiest to carry out have been exhausted. We are going to have to spend between 40 and 50 billion per year, about 10 of which for replacement energies, to attain our objectives."

In this "affair of State," the residential sector is in the front lines, because it alone uses half of the oil that we have to import at high cost, and because it is the most susceptible to transformations, particularly in what is a bit wrongly classified under the heading of "behavior" as compared to the heading of "investment" which, in the context of the current crisis, is finding new financing with difficulty, despite their probable profitability.

In the area of housing, much has already been done to review the regulations and standards of insulation. With good results, since the new housing units, with superior comfort, use at least two times less energy than their predecessors. But, alas, they still represent only 10 percent of the real estate supply. And, at the end of the century, they will only constitute half of it.

Therefore, the primary effort must be made with existing housing. Weatherstrip openings, insulate attics and the basement, put thermostatic valves on radiators--those are the first necessary measures which require a small investment and are immediately profitable. Then the replacement of old boilers and burners. On the hit parade are the new gas condensation boilers. The agency is also encouraging installation of heat recovery units on existing boilers. The device has already been perfected for gas boilers and will soon be for fuel oil and coal [boilers]. Also recommended are: electric water heaters, in individual units, because nothing is worse than to have a boiler running to produce hot water in the summer when it operates at a disastrous efficiency, sometimes scarcely above 30 percent whereas modern fuel oil boilers reach efficiencies of 80 percent to 85 percent. As for more recent and sophisticated technologies, such as heat pumps, they do not yet have the unreserved recommendation of the experts. Costly to buy--rental plans for individuals are being implemented now--they require perfect installation.

And the sun? In this sector too the investments are high and the past years have brought new problems: defective components which are traditional, such as the pumps, low efficiency of storage, too great complexification, and, above all, the great size of the installations. Perfectly efficient for heating water in swimming pools, solar collectors raise some problems as soon as hot water and space heating are involved, probably because of the inefficiency of industry, says a Dutch specialist who still expects better results from second-generation collectors, which are more expensive but have a clearly higher efficiency.

On the subject of photovoltaic cells, the housing sector cannot yet hope for much. In the best of cases, in Sicily, for example, these cells produce

electricity at \$4/Kw.hr whereas in the north, in Holland, an average of \$9/Kw.hr is already considered as a good result, considering the prohibitive cost of storage. The Japanese have launched an ambitious research and development program by which they hope to cut the cost of a photovoltaic watt by one hundred by 1990. The face of the world will be changed because of it!

What remains are the basics: The "solar" house is first bio-climatic or not. In order to use the sun, the simplest solution is still to have large south windows, small north windows, and to regulate the heat in order to take advantage of the sun. A greenhouse connected to the south side of a well-insulated and well-designed building, shutters to close the windows at night: energy conservation will be 25 percent the first winter and more in especially favorable regions. As for auxiliary heating, it is preferable to use wood, but above all avoid electricity since the network would then receive an unexpected demand at the worse moments, on grey and cold days.

Some basic ideas, all of them simple, can be derived from this symposium. First, to fight against the still wide-spread idea that the new energy forms are free. They are less expensive, if they are well used. What good is a solar water heater if the inhabitants increase their consumption and turn on the auxiliary system uselessly? What good are thermostatic valves if you take advantage of them to raise the temperature of the room where you are and forget to lower it when you leave?

A second key idea, which will never be repeated enough: there is no panacea. Each case must be studied specifically, in detail. And investment is not enough. Nothing surpasses good maintenance, especially of boilers which are generally inspected only once a year, not a very insufficient way.

Controlling energy requires a constant effort, obviously based on the certitude of its usefulness. And the most serious danger, in this respect, is demobilization. On the graphs supplied by the Agency for Energy Conservation, it is easy to see that between 1965 and 1979 the cruising speed of the conservation has clearly slowed down. Then, the price of oil did not go up. After the first fright, everyone rested on his laurels. We must be careful not to repeat this mistake while the current relaxation in the oil market can be imputed partially to the effort of control undertaken by the developed countries. In an interview in the MONITEUR, Edmond Herve insists greatly on this point: "The sirens are seductive because they attract us to what is easy: abundant oil which is structurally cheap is a (very good) reason not to undertake anything. That is unacceptable!"

The Minister of Energy adds that the government is now providing a frame of reference, a long-term view, which gives a direction to the notion of profit of investments. The government promise is, in fact, considerable: helping individuals by allowing them to deduct their investments from their taxable income, by creating the energy-savings account; loans at subsidized rates and subsidies for firms; multiple agreements with the institutional, public housing and municipal foremen. "Nothing will be done without the professionals," concludes Edmond Herve. Now it is up to them to take up the challenge.

9969

CSO: 3100/647

NEW DGB CHIEF BREIT ON SCANDALS, UNION POSITIONS

Hamburg DER SPIEGEL in German 7 Jun 82 pp 99-104

[Interview with the DGB [German Labor Union Federation] Chief Ernst Breit at DGB headquarters in Duesseldorf by Lutz Spenneberg and Stephan Burgdorff about the Neue Heimat affair and the unions' crisis of orientation: "'We Will Offer Resistance'"]

[Text] SPIEGEL: Mr Breit, at the DGB congress in Berlin more than 2 weeks ago, the Neue Heimat scandal, contrary to many people's expectations, did not play the main role but rather a minor role. Is that subject already over and done with as far as the DGB is concerned?

Briet: No, the subject cannot be over and done with as far as the DGB is concerned. As you know, we are awaiting the report of an accounting firm. Only then will we be in a position to really judge what happened in detail. Where this has already been possible, the personnel conclusions have already been drawn. We have parted with Mr Vietor and four other Neue Heimat managers.

SPIEGEL: In fact, not only the Neue Heimat managers were a failure but the control organs did not function properly either. Why was there not a thorough debate at the congress in Berlin about the business behavior and control of labor union enterprises?

Breit: That is not possible without the final auditing report. We do have to know what we are to judge. Only that report will tell whether an unexceptionable job was done by the control organs, the supervisory board, internal auditing and the inspection organization which gave its certification each year.

SPIEGEL: The crucial facts are known, however. Don't you have to work out as quickly as possible what kind of conclusions need to be drawn?

Breit: No, I cannot go along with you there. Those affected, you know, are contradicting the charges which have been raised. Mr Vietor keeps saying that he expects to be completely rehabilitated. God knows that is not confession of guilt. Why don't we wait to see what the result of the investigation will be? Why should we prejudge something if an independent accounting firm has been charged with the investigation?

SPIEGEL: It is not a question of prejudging something; it is a question of how such breakdowns are to be avoided in the future.

Breit: One might, for instance, improve the reporting done by the enterprises. One might improve relations with the tenants. One might make the heating accounts, which the normal consumer can hardly understand, more comprehensible.

SPIEGEL: That sounds just as futile as the idea of installing complaint boxes for tenants at Neue Heimat. Is that really all that is to be changed?

Breit: You must not forget that all but one of the members of the Neue Heimat Executive Board were replaced. And that not only means that there are a few different people there; it has an enormous internal effect--and certainly an external one as well. Moreover you must not overlook the fact that, quite independently of the SPIEGEL revelations, Neue Heimat had been subjected to an organizational auditing by an enterprise-consulting firm.

SPIEGEL: You mean the McKinsey investigation into the Neue Heimat management?

Breit: Yes. That investigation had been instigated as early as last year. It too will contribute to making Neue Heimat more transparent.

SPIEGEL: What is it that is being changed?

Breit: The individual regional companies are to become more independent. In part this even extends to the local level if the McKinsey proposals are to be followed. In addition to great proximity to the market, this also leads to greater transparency.

SPIEGEL: Is the Neue Heimat affair not also connected with the fact that the people whose job it would have been to exercise control lacked the necessary knowledge of the business at hand?

Breit: I don't think there was any lack of that. There were far too many people with long experience on supervisory boards for that to have happened.

SPIEGEL: Does not the very fact that labor union leaders hold a great many offices make it difficult to exercise control over their enterprises?

Breit: Certainly anyone who finds himself in such a position faces the question of being overburdened. On the other hand, my colleagues on the supervisory boards have to guard the interests of their unions as shareholders. They are not the only ones to decide whether or not they will be members of the supervisory board.

SPIEGEL: And what will be your attitude? Do you want to become chairman of the supervisory board of Neue Heimat? Or do you want to leave that post to someone else?

Breit: From the point of view of workload, I definitely can do without such a post. From the aspect of the demand which the enterprise and its employees might make of the DGB chairman, things look different. I am not quite free to say: I will do that, or I won't do that.

SPIEGEL: And what would you prefer to do?

Breit: My heart is in a solution that can actually be coped with. As far as the expenditure of time I need as DGB chairman is concerned, I am in a position to say after a couple of weeks that this office fills my time quite adequately. But I must emphasize once more that the decision of this question is not mine alone.

SPIEGEL: Your predecessor, Heinz Oskar Vetter, it appears, despite his many posts, still had time to make concentrated efforts to improve himself financially. He too, it is said, through a go-between, a former employee of Neue Heimat, participated in tax-saving writeoff projects in Berlin housing construction. How far have your investigations gone on that point?

Breit: But Vetter stated clearly and for everyone to hear that this is not so.

SPIEGEL: And you find that to be enough?

Breit: The judicial clarification of these charges will reveal anything that is needed further.

SPIEGEL: So you yourself have not instigated any investigation of your own?

Breit: No, I have not instigated any investigations whatever of my own.

SPIEGEL: That means that you have not yet grabbed the big broom which Mr Kluncker handed you after your election for you to conduct a thorough cleaning?

Breit: Basically, the broom is in full operation.

SPIEGEL: Where?

Breit: For example, in that an independent accounting firm has been engaged. It is simply inconceivable that a better way can be found than to have events investigated by a neutral entity.

SPIEGEL: Is the investigative report of the trust activity going to be published fully and completely when it becomes available?

Breit: I cannot answer yes or no to that question today. One will have to see what it contains. One can get into a position where there are things contained in it which would have a demaging commercial effect if they were published in full--if only because of the commercial competition.

SPIEGEL: With that kind of argument one can easily sweep unpleasant things under the rug.

Breit: No, no. Any misdemeanors or negligence will be put on the table; you may be sure of that. Surely we cannot in any way afford to conceal anything whatever. That cannot be the purpose of the matter.

SPIEGEL: Mr Breit, as you know, the unions are not worried only about Neue Heimat. The figures of unemployed are becoming more and more worrisome, real income is falling, social payments are being reduced. How do you plan to cope with these problems?

Breit: Above all, we want to achieve greater possibilities of employment. To accomplish this, we have published our ideas about an employment program and have made efforts to force the political parties to act.

SPIEGEL: Except for shortening the worktime, all proposals of the unions are based on the premise that the old growth rates can be conjured up again. Is that not an illusion?

Breit: To say that growth is necessary does not necessarily mean adhering to an illusion. Unless we manage to attain some growth again, it will become far more difficult to cope with the problems we face today.

SPIEGEL: In other words, you are not ailing from the notion that too great a growth in fact is not desirable because the damage is greater than the benefit?

Breit: The unions too realize that growth will have to change. We want, above all, qualitative growth, not just quantitative growth.

SPIEGEL: What do you mean by qualitative growth?

Breit: Growth in sectors which are useful to us--for instance, in the protection of the environment, in housing construction, in public long-distance or urban transport, in remote-heating supply.

SPIEGEL: That sounds good, but what does it mean in concrete terms? Does it mean that the state should forgo investments in other sectors and only promote the projects you mention?

Breit: At the moment there is not reason to fail to do anything, unless it is armament production. We must, however, control growth in sectors where the negative consequences predominate.

SPIEGEL: What do you have in mind?

Breit: Take a look at the new industrial area on the Lower Elbe. It surely has not just brought blessings, but it has brought growth. One has to talk seriously about whether the dirt can be allowed to go into the Elbe as unfiltered as is happening in part. I don't think one can allow growth there to continue unhindered.

SPIEGEL: That view puts you in conflict with the unions resident in the Elbe area. The Nordmark Land District of the DGB, for instance, does not oppose construction of the Brokdorf nuclear power plant. Nor does it oppose the aluminum plant and all those other chemical plants that operate there. How do you solve this dilemma?

Breit: I did not say that the plants should not be there; I said that one has to deal more seriously with the question of negative consequences of this kinds of growth. The Nordmark Land District of the DGB is not in favor either of the dirt going into the Elbe unfiltered.

SPIEGEL: No, I am sure it is not. But it does accept the fact that the Elbe is getting dirtier all the time. As regards the conflicting aims of protection of the environment and jobs, the unions invariably opt for industry.

Breit: No, we don't make it that easy for ourselves. We know that in the future we have to assign greater weight to dangers to the environment than was done 20 years ago. But we will be able to decide only case by case what we can do and we have to refrain from doing.

SPIEGEL: Let us, then, take the concrete case of the dumping of poisonous low-viscosity acid into the North Sea. What is your decision there?

Breit: The dumping probably cannot go on like that, because the destruction of fish not only endangers but wrecks other jobs. Is that not an economic damage that results there?

SPIEGEL: Bayer AG invariably has claimed that to stop the dumping would endanger 3,000 or 4,000 jobs.

Breit: And how many jobs are lost as a result of the dying of fish?

SPIEGEL: Is that your only criterion of whether or not environmental protection makes sense?

Breit: No, but these deliberations do play an important role, particularly in this instance.

SPIEGEL: And what is your position regarding nuclear energy? Do you think the course so far has been right, or would you rather proceed more cautiously there as well?

Breit: Concerning nuclear power, I regard the DGB position as proper: as much as is absolutely necessary, but for heaven's sake no more; and all that only if the waste disposal question is settled in a really lasting manner.

SPIEGEL: At the moment that question is still completely unsettled, and there is little reason to believe that it can in fact be settled once and for all. Logically you would therefore have to be against nuclear power plants.

Breit: No, no; you can say just as logically: Settle the waste-disposal question!

SPIEGEL: One can say so, but what use is that if it just cannot be settled?

Breit: I am not sure that one couldn't settle it after all. Surely the difficulty is that perhaps in 8 years' time industry and homes will not have the energy they need if no further nuclear power plants are built now.

SPIEGEL: In the case of the controversial atomic power plant in Brokdorf, that is definitely not so. It could be replaced by coal power plants.

Breit: And if these cannot be built, what will happen then? How is Hamburg to be supplied with energy?

SPIEGEL: Rather than argue about that, let us return once more to the basic questions. On the one hand, you talk about qualitative growth and protection of the environment. On the other hand, whenever it is a question of whether an atomic power plant is to be built or an airport is expanded, the unions say that this has to be done because of the jobs involved. Is it any wonder that many people regard the unions as conservative?

Breit: The unions invariably are concerned with highly concrete situations, for instance with the question of whether people keep or lose their jobs. As long as among those many smart people there is none who can tell us how we are to get the necessary jobs, they must not be surprised at such decisions by the unions. What is the alternative? Where are the people supposed to work if they can no longer build roads because there is no money? The unemployment is there. Just look at the construction industry.

SPIEGEL: Back of what you say is the attitude: We must produce, no matter what, because the jobs are needed.

Breit: No, I cannot agree. In the case of the unions, you have to take into account the fact that they face the problem--a problem which must be solved in quite a concrete manner--of seeing to it that the people keep their jobs or making them unemployed. And vis-a-vis that, of course it is necessary to weigh considerations of environmental protection in the individual case. Incidentally, the DGB environmental protection programs dates from 1971.

SPIEGEL: Could one not also develop ideas amounting to distributing the work that is becoming more scarce among more people?

Breit: Of course one can. And in fact there exist various kinds of ideas among the unions. But there also exists a taboo list of business opposing any kind of shortening of worktime. Even in public service we had to strike in order to obtain off shifts for night workers.

SPIEGEL: Is the shortening of worktime without making up for wage reductions utterly taboo as far as the unions are concerned?

Breit: In principle, sure; but any shortening of worktime is agreed on in wage negotiations the same as wage rises are. It would be downright negligent if as unions we would agree to accept a shortening of worktime without offsetting wage reductions. It would definitely amount to flying blind if we approached the series of questions that way. That is out. That is not in the interest of the membership.

SPIEGEL: What does the DGB line of direction look like, then?

Breit: You really have to ask that question in regard to the individual unions. As you know, the DGB cannot conduct wage talks or conclude wage agreements.

SPIEGEL: Would the unions not be able to accomplish more if they joined forces? At present each organization is trying its hand in its branch of industry.

Breit: If the attempt were made to achieve a certain settlement everywhere at the same time, such a great deal of resistance would be built up that presumably one could not set anything in motion at all. Union policy therefore has to be this: Wherever it is possible to achieve a shortening of worktime in any form at all--early retirement, longer training, more vacation time--this should be done.

SPIEGEL: Does this mean that rises in real wages in the years to come are of rather secondary importance as far as the unions are concerned, that jobs are the more important issue?

Breit: No, it does not mean that--particularly not in view of the fact that we realize that we have been unable to insure incomes in the last couple of years. But it continues to be the case that the unions cannot ignore economic data and facts. This is true of unemployment, because the fighting of unemployment has its price as well.

SPIEGEL: It is to be feared that the situation of the workers will deteriorate further. Not only is income decreasing, but social payments are being reduced. To what extent will the unions go along there?

Breit: I see very narrow limits there. I don't think we can put up with stringent cuts. The government would then have to reckon with our opposition.

SPIEGEL: What form will that take?

Breit: That depends on the circumstances. To reveal that now would mean to make our plans known to other prematurely.

SPIEGEL: Do you have in mind demonstrations such as in Stuttgart, where 70,000 union members demonstrated against the government last November?

Breit: I have nothing concrete in mind at all for the moment.

SPIEGEL: At what point would you offer resistance?

Breit: If I tolk you that I would be telling all others: You can definitely go that far without the DGB doing anything. Surely you cannot think that I will do any such thing.

SPIEGEL: Your predecessor, Vetter, said at the end of his term in office that it might have been his greatest mistake to have shared in supporting the SPD-FDP coalition. Will there be a greater distance between the DGB and the government coalition under DGB Chairman Breit?

Breit: I don't think I contradict Heinz Oskar Vetter if I say that in fact, to day as well, there is no recognizable alternative of which we as workers could be sure that it would yeild better results for us. Thinking about the reaction to our employment policy program by the individual parties in the Bundestag, I have to tell you that the SPD-FDP coalition has always been more cooperative toward us than the CDU. I can therefore not imagine at the moment that the attitude of the German labor unions toward the SPD will basically change.

SPIEGEL: Thank you for this interview, Mr Breit.

8790

CSO: 3103/505

NEED FOR MORE ECONOMIC, SCIENTIFIC TIES WITH JAPAN SEEN

Bilateral Relations Described

Paris LE MONDE in French 10 Apr 82 p 5

[Article by Roland-Pierre Paringaux: "French-Japanese Relations: Shortcomings and Delays"]

[Text] Anemic and unbalanced, French-Japanese relations are not at their best. On this side, they suffer from excess, on that side from insufficiencies, and if Japan's image in France continues to be, in many respects, a caricature, France's image in Japan does not measure up either to its rank or to its ambitions.

Aside from luxury products, optimistic statements, and a cultural veneer, the French presence lacks substance. For a long time now, the declarations of intent have been more accumulative than stimulative. Neither the "radiance" of France nor the microcosm of its Japanese friends really reaches those who count in Japan: political and business circles, and the public at large. Certainly there are some areas, in particular cultural and scientific, in which there is cooperation worth noting, but this cooperation has never created a flow of trade commensurate with the relative importance of the two countries. The paucity of the political dialog confirms this.

Differences and Indifference

French-Japanese relations have for a long time been marked by distance, the aberrations of history, differences, and indifference. These relations are still burdened on both sides by stereotypes and misunderstandings. The level of relations appears today to be primarily a function of the status of the balance of trade. That is to say, these relations have reached quite a low level. Since 2 September 1945, when it received, along with the other Allies, the surrender of a defeated and ruined Japan, France--in the person of its leaders and its businessmen--appears never to have had a coherent strategy with regard to Tokyo. Lack of interest, lack of foresight, and a turning inward to the homeland and protected markets? After Dien Bien Phu, France no longer had any Asian policy. Its presence in this part of the world, toward which the scale of history has been tipping, has been relegated to the closet. Only China has attracted some French interest.

General de Gaulle regarded the Japanese as "transistor merchants" under American guardianship. President Pompidou had been about to pay a visit before he died, and all his successor had to do was accept the invitation on his behalf. However, despite the formidable increase in the strength of Japan, despite its membership in the Western camp, and despite its increasing role in the world equilibrium, its vast market, and its progress in the technologies of the future, President Giscard d'Estaing declined. Did he finesse, underestimate, or overestimate the capabilities of Japan? It is difficult to decide--difficult also to calculate how much this overlong lack of attention has cost France. What technological delays, how many lost contracts, what good intentions disappointed, what resentment?

Nor has this attitude on the part of the government prompted the businessmen themselves, already very underrepresented compared to their competition, to direct their attention and investments toward Tokyo. It has been mainly the Japanese who, while at the same time selling their products in France, have marketed French products in Japan.

Also, the French have sometimes turned up their noses when the Japanese came knocking on their door. Lack of self-confidence, fear of theft of technology? Anyway, the rejected Japanese found other partners, or did not press further, but did return to the French markets with the well-known success. Faced with a new economic giant whose growth we seem not to have noticed, the awakening has been painful, not only for the balance of trade but also for national pride. The waves of exports have made Japan the model for how to do things. This inspires both fear and envy. We want to either imitate or limit the onslaught. In the cacaphony of praise and recriminations, this is what we have come to.

Disproportions

As for the Japanese, they have adopted a radically different approach with respect to France and other partners, an approach following the opposite curve: leading from a position of weakness to one of strength. Very early on, the state establishments and the private sector defined a strategy and with their characteristic determination and personal and organizational esprit de corps, committed themselves to finding the means to carry it out. To taking the long view. They studied French customs, institutions, and techniques, trained specialists, invested, established their networks, and obtained a harvest of information and patents--everything, in sum which the French private sector did not know how to do, or did not want to do, with respect to Japan. A few figures will illustrate the disproportions: 2,000 Frenchmen in Japan, 7,000 Japanese in France; from France 20,000 tourists, from Japan 400,000; 150 French businessmen in Japan, almost 600 Japanese in France; about 30 Japanese correspondents in Paris, fewer than 10 Frenchmen in Tokyo, etc.

To the French general public, the Japan of prints, karate, samurai, and kamikaze has been replaced by a collectivist society which sacrifices every comfort for work, productivity, and a paternalistic management; a Japan which is imitative, egoistic, money-grabbing and protectionist, and is responsible

for the worsening of European unemployment; a Japan whose trade strategy is often perceived as a substitute for its former military expansionism.

From the Japanese point of view, France appears more and more, under an exotic veneer, as a decadent nation, a population of dilettantes: artists, craftsmen, and moralizing politicians living above their means in an environment of largesse and excessive leisure. It does not appear, at any rate, as a great modern and industrial nation, serious and hardworking. That image is the image of West Germany.

Seen from this aspect, the recent history of French-Japanese relations recalls the fable of the grasshopper and the ant. Two contrasting philosophies of work, business, and the art of living in society. The dialog, already minimal, now runs up against the cold realities called trade deficit, unemployment, recession, and protectionism. There is a danger that this will continue as long as the crisis persists in the West: as long as France does not rectify its position of inferiority by an active and substantial economic presence in Japan: and as long as the Japanese continue to subordinate the main thrust of the relations to their trade objectives.

Investments in Japan

Paris LE MONDE in French 10 Apr 82 p 8

[Article by Claude Angel: "French Investments: Weak and Thinly Spread"]

[Text] French investments in Japan were the subject of a detailed study in 1981 by the Japanese chamber of French commerce and industry.* In this article we will try to cover the main points and the conclusions.

The French presence in Japan has three main characteristics: it is weak, recent, and thinly spread. In a few figures, the extent of French activity is as follows: 160 companies, employing about 2,400 people, with a total capital investment of no more than 20 billion yen (FR 520 million) and an overall business volume estimated at 200 billion yen. This may seem very minimal for such a strong trade partner, but the figure does seem higher than the usual assessment of this trade.

This presence is recent because two-thirds of the French companies in Japan arrived within the past 10 years. Also, there has been a noticeable increase in arrivals in the past 5 years. The major exception to this general rule is Air Liquide, which opened a representation office in 1907 and established its subsidiary in 1930!

Finally, it is a very dispersed presence, covering a vast range of products and services in which it is difficult to identify more important categories, with the exception of two more active sectors, semifinished products and chemistry in a broad sense, including pharmaceuticals and quasi-chemistry.

* The entire study was published in FRANCE-JAPON ECO No 10 and is available at the International Trade Bookstore.

These two sectors alone represent more than 85 percent of French capital invested in Japan. All other activities--including, in particular, current consumption or luxury products, heavy equipment, electronics, import-export companies, and individual enterprises--total only 15 percent of the capital invested.

This sector distribution basically reflects the export capabilities of French industry in a highly industrialized and very competitive market. The two prominent sectors benefit from a degree of technological lead and from solid organizations combined in large groups such as Pechiney-Ugine-Kuhlmann or Thone-Poulenc. By contract, for electrical supplies (with the exception of Thomson) and heavy equipment, Japan remains a very difficult market. The consumer goods sector should expand, but as a whole it is a very recent comer, for 19 out of the 22 companies did not arrive till after 1975. Luxury consumer goods may be the visible image of France, but the total capital investment, with the exception of Oreal, which is strongly established, remains marginal.

On the other hand, we must not ignore the invisible sector, which makes a significant contribution to France's surplus for services. French banks, operating in the form of branches or representation offices, are one of the few fields of activity consistently and strongly represented in Japan.

How can we explain such a weak and miscellaneous total presence in a country which, though access is certainly difficult and may at first appear discouraging, after all ranks second in the world in economic power and second as a consumer market? Three types of reasons seem to be involved.

Lack of an Overall Strategy

First of all, Japan has thus far not been a primary target for French companies as a whole. Their attention has been, and continues today to be, turned mainly toward the other European countries and North America. Thus, out of the 100 major French corporations, only 24 are represented there. In contrast, of the 500 major American corporations, 300 have operations in Japan. This situation is changing, but it is unfortunate that French industry could not, or did not wish to, develop an overall strategy toward Japan--a strategy which could have been highly profitable, as demonstrated by those companies which have operated there for a long time.

Secondly, the approach to the market and the tactics selected by the French companies have often tended to be of benefit for the short term but to the detriment of the long term. However, in order to succeed in the Japanese market, you must not hesitate to invest a great deal of time as well as money; you have to travel there often in order to supervise and control the operations of your representatives. It is an illusion to expect to be able to keep track of and manage effectively a business policy being implemented 17,000 km away in a radically different cultural and economic environment. As a result, how many French licensed activities, supervised at low cost from Paris, have ended badly? How many good agents, who left confidently, were discouraged by lack of company followup and guidance? How many joint ventures

left to the control of the Japanese partner, if not legally yet in reality, have failed? There are many examples, and they sometimes involve major companies.

Field for Innovations

Finally, the Japanese market is still a demanding market and one to which it is difficult to gain access because of its particular structure. The development of operations in this market is extremely slow for reasons including the impossibility of taking over existing operations, the obligation to assemble and train all the personnel yourself, and the necessity to develop a large network of contacts, support facilities, relationships, etc. In addition to these organizational factors, there are a number of more or less intentional external limitations placed by the Japanese and whose effect cannot be ignored. It is nonetheless true that Japan is a market which can produce very high profit for investment and that it is a field for innovation, especially, where it would seem that French companies should certainly be present and active.

In order to promote the location of new companies and the strengthening of the French presence, what is needed is systematic action within the context of a long-term, overall strategy. This action should include, first of all, the collection of information about Japan and its management methods in France, a listing of current gaps offering opportunities, encouragement of coordination among professional fields to study Japan, and the use of existing French companies in Japan as the basis for the establishment of new operations--since experience has shown that they provide a favorable environment for acceptance of new companies.

The French business community is fragile and aware of the need to strengthen itself. The message is, therefore, that we should follow the example that Japanese companies provide in their activities abroad.

Import, Export Trade With Japan

Paris L'USINE NOUVELLE in French 15 Apr 82 p 59

French Imports from Japan (10 main categories in Fr millions)

Category	1980	1981	%
Electrical machinery, electrotechnology	1,862	2,482	+33.3
Musical instruments, recording equipment	1,380	2,299	+66.6
Automobiles, tractors, cycles	2,165	2,157	- 0.4
Boilers, machinery, mechanical devices	1,510	2,020	+33.8
Optical devices, optical instruments	1,413	1,804	+27.6
Inorganic chemical products	297	508	+71.2
Organic chemical products	349	439	+25.8
Timepieces	306	387	+26.4
Film industry and photographic products	209	246	+17.6
Cast iron, iron, steel	233	234	+ 0.3

[Source JETRO, CFCE)

French Exports to Japan
(10 main categories in Fr millions)

Category	1980	1981	%
Inorganic chemical products	663	592	-10.7
Air navigation equipment	328	439	+33.7
Beverages, alcoholic liquids	308	413	+34
Organic chemical products	217	328	+51.3
Boilers, machines, mechanical devices	372	307	-17.3
Leather products and gut	183	232	+27.2
Perfume products, oils, extracts	197	229	+16.2
Clothing, accessories	234	228	- 2.6
Electrical machinery, electrotechnology	162	227	+40.2
Pharmaceutical products	165	209	+26.7

(Source JETRO, CFCE)

Scientific Cooperation

Paris LE MONDE in French 22 Apr 82 p 7

[Article by Philippe Pons: "France Wants To Be Regarded by Japan as a True Scientific Partner"]

[Text] The French-Japanese scientific symposium on latest technology, which was organized as part of Francois Mitterrand's visit and ended on Saturday 17 April, was intended by its French organizers as the first step toward a comprehensive dialogue between the two countries in the field of science and technology.

The Japanese participants, although initially somewhat surprised by this French initiative, were appreciative of its interest and scope.

Obviously, what was to be expected of this conference was not so much an immediate final agreement on cooperation projects but rather some related ideas to be developed. Moreover, the holding of the meeting itself was probably more important than the papers presented on the status of research in the five sectors covered (aeronautics, energy, electronics, computer science and computerized communications, and materials of the future), about which the experts of the two countries already had thorough knowledge. Indeed, this was the first time the principal managers of companies of the two countries involved in latest technology had met together. Japanese companies carry out the predominant share of research: While in France 47 percent of research expenditure is by the government, in Japan this figure is only 25 percent.

Meeting and "Mutual Recognition"

It was certainly desirable to initiate a new type of dialogue, multidisciplinary and broader than in the past, when it was mainly intra-sectoral and administrative; a new dialogue which would permit an exchange of views on the organization and objectives of research in the two countries. In view of the delay in developing French-Japanese relations, it was appropriate that the first thing would be for people to get to know each other. However, the second, longer term purpose was to enable each country's experts to gain better knowledge of the other country's state of technology and work methods.

In this latter area, France must change its image and become "recognized" by the Japanese as the potential partner in the scientific area, since it has traditionally been viewed as a cultural entity. Dissemination of the debates at the symposium by the Fuji-Sankei publishing group, which sponsored the session should help make French scientific research better known. It is certainly surprising that it was a group not known for its progressive attitudes which was selected to publicize the technology of socialist France: apparently no other major newspaper responded to the French solicitation.

Some 300,000 Researchers

France's approach should not be to merely hitch itself to the Japanese "train" with respect to technology, but rather to establish cooperation in the areas where there can be a complementarity. Europe often has a distorted idea of Japan's technological advance, of which it sees mainly the products. The Japanese have certainly succeeded in spreading their technology more quickly and effectively throughout their production facilities. We can view the results every day in the windows of the electronics stores. Also, while the United States and Europe are wearing themselves out keeping their steel industry operating at a loss, Nippon Steel, with highly automated production, is making profits. The Japanese devote special effort to the development of research: there are some 300,000 researchers in the islands, compared to 70,000 in France; or 13 per 10,000 inhabitants [in France], compared to Japan's 26 per 10,000.

However, in the field of pure research, the Japanese are on a comparable level or even behind in some areas compared to France. Judging from their past purchases of licenses, their balance of patents is negative (those received representing 27 percent of those sold).

Mutual Prejudices

There is one difficulty which must be overcome in order for scientific cooperation to develop between the two countries: the prejudices on both sides. The French are often afraid that the "copying" Japanese will take their ideas and be ahead in carrying them out. As for the Japanese, a little giddy from their success, and believing themselves to be stronger, do not always feel any need to cooperate.

The symposium participants had hoped to leave with some well-formed ideas on common themes to develop. Probably they did not get as far in this respect as

they would have wished. In addition to the areas of cooperation already explored, such as nuclear research, some points of convergence appeared in the field of biotechnology. With respect to the aeronautical field, discussion was somewhat inhibited by the degree of cooperation already underway with the United States, the new cooperation with Rolls-Royce, the Japanese desire to develop their own independent aeronautical industry, and commercial interests. In the electronic and computer science field, on the other hand, there appears to be scope for increasing the complementarity between French software and Japanese "hardware," and between the broad-market electronics of the Japanese and the professional-use electronics of the French.

One area of which the two delegations seem to have "seen eye to eye" was cooperation in material for research, education, and prevention in the Third World. The possibility for microcomputer applications in developing countries, which have shown little interest thus far, appears to fascinate the Japanese. Several Japanese delegations (Fujitsu, NTT, Toshiba, and Nippon Electric) will reportedly come to Paris soon to study the possibility of participating, by sending teams of experts, in the work of the World Center for Computer Science and Human Resources, headed by Jean-Jacques Servan-Schreiber.

It is clear, however, that unless France shows a genuine will to continue the exchange of ideas which began at the symposium, there is a risk that the symposium will have been only a futile gesture. As it is also true of the other aspects of the presidential visit, we will be able to judge in the coming months whether or not the initiative was a success.

Age of Intelligence

The symposium closed with the raising of a number of more "philosophical" issues by the French side--issues which the Japanese thus far have not really considered, engrossed as they are in their striving for technological progress. Servan-Schreiber raised the question of man's role in a computerized society, and science's role in the fulfillment of man's capabilities rather than his alienation. If there is a shortcoming in Japanese planning, he pointed out, it is the failure to have considered this question. This concern was also evident in the excellent address by philosopher Michel Serres that concluded the symposium. He stressed that the world has entered the "era of intelligence," an intelligence characterized by a more and more profound interweaving of abstract science and practice in and through modern technologies. He added, however: "We run the risk of organizing the future a bit too much." Affirming that in seeking happiness for the individual we are most often contributing to his misfortune, Michel Serres concluded: "Science and politics may have the goal of creating happiness for man, but they must not lose sight of this higher dictum: not to create misfortune." It is precisely because Japan has succeeded more quickly than the rest of the world in spreading new technologies through its production system, and through its social system as well, that this is an appropriate time to recall that the choice between a liberating science or an oppressive science faces Japan even more urgently. However, this was a message to which the symposium participants were perhaps not yet sufficiently prepared to listen.

CNPF PRESIDENT GATTAZ STUDIES AMERICAN MARKET

Paris LES ECHOS in French 17 May 82 p 2

[Article: "The New Challenge of the CNPF to the United States"]

[Text] Yvon Gattaz, the president of the CNPF [National Council of French Employers], continues to be an industrialist first and foremost. Thus, he has decided to head a crusade on the other side of the Atlantic. Beginning in July, accompanied by a small delegation representing medium-sized firms, Yvon Gattaz will "skim" the various possibilities offered by the American market and the best ways to achieve a breakthrough.

To prepare the terrain two [activities] "days" have been organized. The first, held last Thursday, made it possible for the participants to get a better handle on the American reality. The state of Texas is equivalent to Belgium. In terms of the GDP, California (eighth in the world) corresponds to a small Scandinavia. A good approach, then, is to focus on one region without seeking to cross the entire United States from east to west. France's ambassador in Washington, Bernard Vernier-Palliez, on his part stressed the opening of the American market to products of all origins and diversification. Among recent discoveries has been the Americans' taste for French cuisine....

The need for a major leap in the direction of the United States is attested by a few figures. France witnessed a trade deficit of nearly 23 billion francs in 1981. It ranked only as America's 12th supplier, behind Taiwan, accounting for less than 3 percent of American imports. Finally, France is only the eighth foreign investor in the United States (the fifth European investor) with investments of \$2.7 billion in 1980, that is, 4 percent of the total.

There are two essential qualities needed to succeed: Tenacity and marketing skills. But the initial obstacle is too often of a psychological nature. The United States frightens the French. In this case there is only one answer--commercial attache offices. Well distributed geographically, these offices can guide French businessmen in their initial steps at the "obligatory" fairs and exhibitions and in search of partners.

To be sure, France will be unable to achieve spectacular results within a few months. In the immediate future the commercial counterattack could involve traditional sectors such as consumer goods (cosmetics, textiles and so on),

edibles (wines and so on), mechanical products and transportation. In the intermediate term France could fight back with electronic goods. In this respect the Chevenement plan to slow down "red, white and blue electronic products" may be an asset.

In the meantime, make a date for 9 June 1982 at the offices of the CNPF. The activities day will permit [those attending] to gain a clear understanding of U.S. trade laws affecting imports, of antidumping and antisubsidy provisions, safeguard clauses, the fight against unfair competition and other issues.

2662
CSO: 3100/683

RYAN'S POLITICAL CAREER SAID TO BE AT STAKE

Quebec LE SOLEIL in French 8 May 82 p B-1

[Article by Jean-Jacques Samson: "Claude Ryan: The Last Chance Sprint"]

[Text] Claude Ryan, the leader of the Liberal Party of Quebec [PLQ], has 2 months to win the hearts of Quebecers and thereby keep the affections of his party activists. Otherwise, Quebec's Liberals will choose themselves another head who can lead them to power. But good candidates for the Liberal leadership are lacking to such an extent that Claude Ryan might possibly win by default. Jean-Jacques Samson examines the main aspects of the issue.

The leader of the Liberals, Mr Claude Ryan, has 60 days to win the hearts of Quebecois which he has not managed to do in 5 years.

He is playing for the fate of his political career. If he fails, being ousted, in September, from the political seat he has occupied since April 1977--will be humiliating repudiation from his own party activists after his having given in to the entreaties of distraught Liberals who felt themselves intellectually deprived and led the referendum campaign on the sovereignty-association plan.

Claude Ryan has 60 days because after that it will be summer vacation, a period which, it goes without saying, will not lend itself to any more of this kind of dealing with ideas. Starting 15 August, the associations of party activists in the constituencies will be embarking on the process of choosing delegates to the congress to be held 17, 18, 19 September. Mr Ryan still reckons he will receive a sufficiently significant amount of support from representatives of the Liberal activist rank and file to remain leader of the party.

The controversial head of the PLQ has already set out on a tour of Quebec to try, perhaps one last time in his political career, to sell himself, to make a name for himself as the leader who can win an election. He will hold two kinds of meetings: "Vestry meetings"--according to an expression which he himself has used--with small groups of Liberal political organizers, and public gatherings.

His trademark, the image he wants to project, is clamness and determination.

Without warning, he launched his campaign for the leadership last Monday at the Canadian Club of Montreal. All of a sudden he appears in excellent form, like the enthusiastic fighter he was in the first days of last year's election campaign.

The Quebecois Are Changing, Not Him

According to one of his close colleagues, the economic situation is making people realize that the ideas defended by the Liberal leader for 5 years are the line to follow. Now is not the time for costly megaprojects such as, for example, are being recommended by an avowed candidate for the party's leadership, Mr Robert Bourassa.

That close colleague emphasizes that Mr Ryan also has been getting better press for some time, which contributes toward keeping him in better shape, while the members of the government, for their part, are becoming gloomier waiting for the Parizeau budget and for the outcome of the approaches made to union members in the public and parastatal sectors. My Ryan's image appears more positive: ever since his entry into politics he has been talking the same language, warning his audiences about what is threatening Quebec.

The same colleague of My Ryan's added: "We have 2 months in which to do the job. In 2 months we will have a pretty good picture of what the future has in store for us."

Since Monday the Liberal leader has been dealing with the question of his leadership without hesitation, without any discomfort, looking the people to whom he is speaking straight in the eye. He seems even relieved since he clarified things publicly and made his intentions known.

On Wednesday he indicated before a LE SOLEIL journalist that his statement was addressed to the federal Liberals who are currently carrying out a defamation campaign against him, and that the statement was also aimed at unmasking some of his local adversaries.

Our meeting a little later was to be brief but nonetheless revealing. "I will continue to exercise the [party] leadership in my own way," he said curtly.

A deputy had given LE SOLEIL to understand that the members of the parliamentary faction who are challenging Ryan might become more subdued in their recriminations if in return Mr Ryan agreed to display more viciousness toward the Quebecois Party.

Mr Ryan affirmed that he had not discussed changes in his style with deputies from his parliamentary group.

He is not a man to let himself be molded like modeling clay.

On the contrary, he would himself have put some of his people in their proper place. "I had some very frank discussions with certain deputies about the role of each one within the party and the work they had to do," he said.

Recalcitrant Deputies

On the other hand, quick consultation carried out among Liberal deputies over the last few days indicated that those who have been expecting their leader to bow out have not changed their mind at all about that.

"In the last poll, he had only 17 percent support among the people. And among those 17 percent, how many would be prepared to back him actively?" One of them was asking himself this just a few dozen feet from his leader's office.

"It is too late and the gap is too great. It is irreversible. He cannot even think about pulling through by 'packing' the congress. The people's lack of interest in him has become widespread. Just you wander around the counties..."

"He can say anything during his tour; no one listens to him any more."

This is an inflexible and final judgment on the man.

No Really Good Successor

The journalist who have the opportunity to talk with Mr Ryan from time to time could foresee that he would not bow out gracefully at the first cries of those calling for his head.

During an informal discussion with two LE SOLEIL journalists last December, when his leadership was already being contested quite openly, Mr Ryan analyzed all the candidacies of possible successors put forward by the media.

That time on a Saturday afternoon a few hours before the session adjourned, exhausted by the parliamentary marathon which was coming to an end, it was he who was verbally cutting off heads. No candidate presented the basic qualities he wanted to find in the one to succeed him, or else none was ready yet to take over right away because of youth or lack of political experience.

His judgment on his own detractors was even harsher: they were those elements least useful to the party, those among his troops who were worth the least as persons.

He was talking bluntly, in the same terms one often hears used in Liberal dens with regard to him.

Mr Ryan had explained that he had worked too much and given too much of himself to the PLQ--a party which he had remodeled, which he had transformed into a mass party, a party of ideas and financially sound--to give it up into the hands of just anybody.

Four months later it is those same names which are always mentioned as potential successors that Mr Ryan dismissed with the back of his hand on that December Saturday.

So it would have been surprising for him to decide now to pack up and go even if some polls are cruelly reminding him that very few Quebecois are lining up behind him. Polls have never guided his decisions all that much...

The Stream and the Rock

In illustrating his personal style of working among the electorate, the former editor of LE DEVOIR once told reporters who were following him in his campaign: "A stream breaks through rock little by little."

Mr Ryan seems to think that nowadays the rock which represents the Quebec electorate before him will be more crumbly (more receptive) because of current economic difficulties and because of the dead end to which the government has come in its relations with public sector employees.

He is busy working, it is said, on the message that he will be spreading during the next 2 months of this leadership campaign which he is forced to take on with an eye to the September congress. He will not be changing his style and will probably not be changing the content of his standard speech. He has been repeating the same one ever since his entry into politics, and after all, in his opinion, it fits current political and economic reality better than ever.

The only concessions he will be making will be minor: for example, he has finally agreed to have himself photographed at the Jean-Talon Market where he has been going frequently for several years and where he has his closest and warmest contacts with average Quebecois. Some media advisers had already tried to have him go along with this exercise when campaigning. There had even been thoughts about filming salesmen along with the scenes which one would have been able to pick up. His press attache of the time, Mrs Michele Bazin, had explained that he had refused so that those people would not be used for political purposes, would not be electioneering tools.

Those scruples have been dispelled, judging by the photos which accompanied a report published for a wide circulation last week by PERSPECTIVES.

Up until then, Mr Ryan had been rather unlucky with the kind of interview aimed at presenting a man underneath his political shell. Ryan used to present a picture of being an ascetic--not very appealing in a society that is still well off. He could not be mayor of Sodom or Gomorrah.

Therefore, in order for Claude Ryan to be able to remain the head of the PLQ and to win a general election some day--leading his party back to power, which Liberal activists are awaiting with increasing impatience--the people of Quebec must be induced to change their perception of the Liberal leader.

As for him, he presents the same socioeconomic orientation and the same good and bad qualities as he did last April.

He will appeal to the intelligence of the members of his party.

He has 2 months to carry out what he has pledged to do.

The Pinch-Hitter

If he does not succeed, he risks a really big humiliation. So big that perhaps he alone, out of all the politicians of the moment, has the strength of character to accept it. His opponents, for their part, are convinced that the hangman's rope is ready and that Mr Ryan is heading pitifully for political suicide.

Their misfortune is that they are still searching for a pinch-hitter with papal infallibility.

The candidate who is probably most desired within the parliamentary wing, Mr Raymond Garneau, still turns a deaf ear to the pressures exerted on him.

The candidacy of former prime minister, Robert Bourassa, is far from having unanimous support. Some deputies remember 1975 and 1976, the dismal years of Mr Bourassa's rule.

If anything, the other names mentioned--Claude Castonguay, Jean Cournoyer or even Rodger Landry, the father of Youppie--make people wince.

The Liberal activists who have never been able to willingly support Claude Ryan after his victory over the darling of Quebec, Raymond Garneau, do not yet have any alternative.

That is still the trump card in Mr Claude Ryan's hand.

9631

CSO: 3100/638

SKDL'S REELECTED CHAIRMAN ALENIUS VIEWS PARTY, USSR

Helsinki UUSI SUOMI in Finnish 29 May 82 p 21

[Article by Olavi Jouslehto: "Great Policies or Dreams, Alenius' Socialism Relies on Economic Miracles"]

[Text] The proletariat, which nourished communism in Finland too, is becoming extinct. That is why the whole People's Democratic movement is sick. It is suffering from the disease of standard of living.

The very orthodox Stalinists have become tightly enmeshed in their Marxist-Leninism and receive support from the orthodox international communist movement.

The SKP [Finnish Communist Party] majority has become Finlandized as a Euro-communist movement, but nevertheless relies on the old doctrines.

The SKDL [Finnish People's Democratic League] Socialists are working toward the establishment of a standard-of-living state, in their opinion appropriate to standard-of-living socialism, the content of which for the time being supports only theories and hopes.

The SKDL is a child of the war whose vigor flags as people become more affluent and as the social structure changes in accordance with that.

Every new cell that comes into being in the SKDL or the SKP seems to turn against them in the name of the unity of the movement. They all compete with one another.

Most Finnish Communists and the SKDL with its organized Socialists have also raised their banner of revolt to the top of the masthead of the international communist movement. It rises in defiance even though the movement is going through a difficult period of decline in its history.

The SKP and the SKDL are becoming Europeanized. One of them is a Eurocommunist and the other a Eurosocialist movement. As they have developed, both of them have given up their idealization of armed revolution. Only the Stalinists are irreconcilable and are still living in the Finnish Civil War era.

The SKP is awaiting its final disintegration. Its leaders are skating on thin ice because they know that their Stalinists are Moscow's mailmen and confidential agents.

The Socialists realize that the situation is opportune for them to effect their own organization.

While the SKDL's contentious half, the SKP, has up to now been the center of attention, in the near future we will probably have an opportunity to see how the Communists and Socialists vie for control of the SKDL.

In the opinion of the Socialists, only the losers in the People's Democratic movement want to stand in the ranks of the SKP.

On the other hand, in the SKP they consider the Socialists to be a toothless bunch, a newcomer that represents no danger to the SKP command position.

The Socialist wing organized a week ago will probably move a step to the Right under the SKDL's roof if in the years to come it can find more support than just the right to speak.

In the SKP too, there are people who would be ideologically ready to shift to the Socialists, but who are staying where they are because otherwise the Stalinists might more effectively take over a Rump SKP.

When then SKDL chairman Ele Alenius left the field of everyday politics for the Bank of Finland in 1977, people believed that he had abandoned political life.

Having occupied the director's chair left empty by Aarre "Sapeli" [saber] Simonen (TPSL [Workers and Small Holders Social Democratic League]), however, Alenius continued to concern himself with political philosophy. He put together a new Socialist group, in terms of principles situated just where Simonen's was, between the Social Democrats and the Communists.

The Bank of Finland has been incapable of tearing Alenius away from his love affair with socialism. He admits that from the standpoint of the bank he can see how many things are involved in making decisions about the structure of the economy and the flow of currency.

Dr Ele Alenius is putting together his Socialist group in the otherwise dispersed right wing of the SKDL. The old reformist "revisionists" have remained in the center and on the extreme left the Stalinists are thinking about setting up their own group to cover any emergency.

It looks as though every attempt made to unite forces within the SKDL and the SKP scatters the movement's forces and ruins their contribution to Parliament.

They also admit that the SKP-SKDL crisis is a crisis of ideals. It stems from the fact that the evolutionary process is being forgotten.

Feels Uncomfortable with Technology but Puts His Faith in Technology

While Ele Alenius' plans are based on a firm belief that technology and economic growth will lead to an ideological revolution, he himself feels uncomfortable with technology.

At least that is the way it seems to be since he does not want to speak into a tape recorder.

We should have gotten Alenius' philosophizing "into the can" so that his whole line of thought could be listened to again, bit by bit. But Alenius is careful nowadays.

His view of the future seems to be coming into being on the map of Europe where the fact that Karl Marx was a European is marked in red, among other things. That what happened in Poland is a European phenomenon. That Moslem power at the southeastern gate to Europe is a fact. That it is difficult for the Soviet Union and other communist countries to approve of any experiments that might demonstrate that the old communist doctrines have outlived their time. That in the West the United States trusts to its economic power and is a parvenu without any cultural foundation that is creating all this. That....

Great Approaches Man

Alenius outlines his own view of the social evolution of Finland and Europe in such lofty terms that it seems to even the stupidest of us as if the man were certainly in the clouds with his ideas.

"Since what the society produces will be directed by computer systems, it will be time for private enterprise to stand aside. It will have outlived its time and contributed its ideas.

"I do not think of change taking place through revolution, rather in terms of great approaches to development resulting in a new age of technology."

Social Democrats to the Center

Ele Alenius is shoving the Social Democrats to the political center and says that the Communists are too tightly closed in their Marxist-Leninist thinking. Between them there should be room for the SKDL Socialists.

Alenius himself does not intend to continue as acting chairman of the Socialists; rather he will propose someone else for the post.

"At first, I thought of proposing I.-C. Bjorklund for the job, but he flatly refused."

The next one on Alenius' list is an almost unknown name, Kalevi Suomela of Helsinki.

Alenius does not feel it is right to interpret the situation such that he might be advocating a puppet ruler to serve as acting chairman so that he himself can better shape Socialist policy.

What would the SKDL, led by Socialist Kalevi Kivistö, then have been able to do to prevent the formation of a Socialist group?

"Nothing at all," Alenius said. "Nor would it probably have wanted to prevent it either."

"The pressure to organize was already strong in the 1970's. But we have interests in common with the SKP and were waiting for the internal disputes to end.

"But now that the SKP disputes just go on and on, there is no longer any reason for us to wait."

"If There Is Pressure for It, There Will Be Local Activity"

The Socialists have promised that they will not set up local associations.

Alenius, however, affirms that, "if there is pressure from the rank and file to form local associations, that possibility cannot be excluded."

Although Alenius assures us that the organizing of the Socialists is an SKDL internal organization task, it is difficult to convince the listener that this is so. Founding a new party seems to be such an obvious goal.

"A lot depends on how the SKP feels about our organizing — and how the situation in Europe develops."

"STS and OKO Could Stay On"

The Socialist group is right now formulating its program which will lay the groundwork for the socialization of a productive life.

"Banks, insurance companies, big businesses...."

Alenius ticked off pretty much the same list to be found in the inventory of unrealized SDP [Social Democratic Party] hopes.

Would the Suomen Tyovaen Saastopankki [Finnish Workers Savings Bank] and progressively minded trade with its production plant also be socialized?

Alenius pondered for a long time. Then a pardon was granted the cooperative sector. The STS [expansion unknown], the OKO [expansion unknown]... etc. could stay on.

"Multiparty System and Freedom of Speech Necessary"

Alenius, who puts his faith in a computerized economy and production world, stopped to consider the question as to whether his view of the world is expectation based on tomorrow or idealism.

"The question is how we look at the matter.

"We must also be capable of looking at socialist thinking in a new way. We should be capable of ridding ourselves of the old formulas. We have thought about whether we ought to invent a new and more timely name for socialism altogether."

Alenius bases his belief in the future on the fact that "an ever greater number of people want to fulfill themselves as independent entrepreneurs aside from doing so as a group." The time for idealizing enterprise is beginning to come to an end.

Alenius approves of the existence of an opposition, that is, a multiparty system. He also promises to preserve freedom of speech in the new world of the future.

"The Soviet Union? I Really Don't Know...."

How does the Soviet Union feel about the Socialist grouping in the SKDL?

"I really don't know. I don't see that any problems are involved. We feel our right to organize to be a very natural one."

In Alenius' opinion, it is not a good thing for the SKP to hold such a clearly decisive position even though it is only a part of the SKDL.

"Contacts with the Nordic Countries"

According to Alenius, the Socialists are also looking for international contacts.

The Danish and Norwegian socialist people's parties are sister parties of the Socialists as are the Swedish Leftist Party Communists.

Alenius himself participated in the Leftist Social Democratic Congress in Austria and he does not regard that international contact as being in any way contradictory either.

Who Will Pay for It?

There are many majority faction members who regard the organizing of the SKDL Socialists as a positive counterweight to the squabbling SKP.

But almost as many ask who will pay the piper if the Socialist group clearly forms itself into a party and collects membership dues, among other things.

I.-C. Bjorklund's charges against Kivisto and the SKDL are perhaps already creating a gap between the mother party and the Socialist group.

Let us also consider the question of from which international source the Socialists would acquire their additional funding. The communist movement's purse would apparently remain closed. Would they find some other international backer for the new Socialist movement? A funder in whose opinion a Eurosocialist party in Finland would be timely and worth supporting.

11,466
CSO: 3107/133

RETIRED CP CHAIRMAN SAARINEN DEFENDS SPEECH CRITICAL OF USSR

Helsinki UUSI SUOMI in Finnish 23 May 82 p 23

[Article by Matti Saari: "Aarne Saarinen Is not Retreating: 'The Screaming Began When I Nudged Them'"]

[Text] Aarne Saarinen's last speech as chairman of the SKP [Finnish Communist Party] was a surprise to many. This one speech among many more so even to Saarinen himself.

The SKP congress had once again been driven into a situation in which the minority faction requested support from the Soviet Union and also forced its will on the others.

Aarne Saarinen wanted to strike out at the minority faction and demonstrate that the SKP is capable of making decisions regardless of any letters that have been requested.

Aarne Saarinen did not want to attack the Soviet Communist Party (CPSU), although the speech was interpreted as such.

"It is generally assumed that anything resembling criticism may not be presented. The fact that the minority faction itself went looking for support and got it and that, probably since I nudged them because of this, the screaming began, adding insult to injury."

In addition to attacking the minority faction, Saarinen wanted to say that this was not the first time the Finnish situation and the psychological effect of position papers have been misjudged in the Soviet Union.

This is what Saarinen said, although, on the other hand, he also wanted to look at things from Moscow's viewpoint.

"If a difficult situation should arise, I would try to move to Moscow and think about the world — and Finland too — from there."

It is easier to understand the thinking of the most powerful communist party in the world in this way.

And this is just what Aarne Saarinen has often done.

However, he said:

"If you want to offer fatherly or motherly advice, it should be done in a different manner."

Aarne Saarinen has left the SKP chairman's seat after 16 years of hard work.

After a fashion the SKP split when he assumed power, but also after a fashion it had already been in the process of splitting in the 1920's and 1930's. In those days too, Stalinists and reformists of the time fought among themselves.

In the early years of this fighting V.I. Lenin himself served as an arbiter. Now he can only be interpreted. Would he have backed Sinisalo, Saarinen or even Kivistö's SKDL [Finnish People's Democratic League] in Finland?

At any rate, Saarinen made his decision. In his time, the dictatorship of the proletariat and violent revolution were eliminated from SKP platforms. In his time, the SKP in certain respects changed into a Eurocommunist party.

"If by Eurocommunism we mean that parties should revise their platforms taking into consideration changed conditions, the SKP is certainly in that sense a trail-blazer of Eurocommunism."

Therefore, Aarne Saarinen is ready to stand behind his policy to the very end, regardless of the often negative epithets applied to that policy.

Aarne Saarinen said that he has great esteem for the CPSU's role as the world's leading force for communism, but that he also feels it is only right to offer criticism of it, as unpleasant as that sometimes is for him.

For him, criticism does not mean some sort of anti-Sovietism, rather the opposite. He feels that some so-called minority faction representatives use that branding iron "very irresponsibly and indiscreetly."

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CSO: 3107/129

LONG-TIME SKDL MP TAMMINEN: STALINISTS MUST FORM OWN PARTY

Helsinki UUSI SUOMI in Finnish 29 May 82 p 22

[Article by Timo Lippinen: "Kauko Tamminen Would Learn a Lesson from the Social Democrats: Alone, the SKP Rebels Would Wither Away"]

[Text] Long-time SKDL [Finnish People's Democratic League] Member of Parliament Kauko Tamminen, 61, confesses himself to be a hard-line Communist if the epithet is enclosed in quotation marks.

In Tamminen's opinion, the state of the SKP [Finnish Communist Party]-SKDL has reached a point where one solution looms before it:

"Even if we were to go down to rock bottom, we would achieve a unified party only by creating two communist parties. In their time the Social Democrats ousted the so-called SKOGs [expansion unknown] and that's how they got the TPSL [Workers and Small Holders Social Democratic League] to wither away," Tamminen recalled.

While he does regard two communist parties as a quite possible solution, he does not, however, believe that the SKDL Socialists would break off to form their own party. "The SKDL is still necessary, even though it was founded at the end of the 1940's under different historical circumstances.

"The number of Socialists is actually very small, so breaking away would be pointless. In many rural districts people belong to the SKDL because the SKP does not have a local division," Tamminen explained.

"Third Line Naive"

Kauko Tamminen believes that, in spite of the fact that Finland would get two communist parties, it would be worth it.

"I don't believe in cooperation any more at all. The Stalinists' behavior at the last party congress sealed the issue," Tamminen felt.

In Tamminen's opinion, the Stalinists are partly responsible for the so-called Third Line which has, however, in practice been a move away from the majority faction and thus a tactical [advantage] for the Stalinists.

"Third Line people have been too naive. They imagine that unity can be found after all the disputes we have had," Tamminen fretted.

In his opinion, the party congress showed that those Third Line supporters who deserted left-wing districts remained closely within the ranks of the Stalinists the whole time.

"Majority Was Betrayed"

Thus Tamminen has come to the conclusion that the SKP majority was betrayed. "Their own dogs bit them," that is, majority faction Third Line members managed to preserve the old situation: Regardless of the small changes in office-holders, the split is a fact.

So, what should have been done?

In Tamminen's opinion, they should have tackled the job as early as the end of the 1960's when the left wing marched out of the party congress. If they had locked the door shut then, after the Stalinists had left, the party would have evolved in the same way as with the SDP [Social Democratic Party].

The Social Democrats purged their ranks of their own SKOGs. The TPSL came into being and in short order withered away.

Tamminen said that he had expected something of this sort to happen a couple of weeks ago at the party congress that is now over, but it did not.

And now, Taisto Sinisalo is demanding that a new congress meet. In Tamminen's opinion, the only winner at such a congress would be the party's left wing.

Unsuccessful Congress Made for Closer Relations

Nevertheless, Tamminen sees one good side to the unsuccessful congress. After it was over, the majority faction optimists, the Third Line, once again moved closer to the regular majority faction.

"Before the congress, cooperation was more caustic than it is now," Tamminen noted.

Kauko Tamminen did not want to level very severe accusations against SKP leaders. Aarne Saarinen and Arvo Aalto zealously tried to reconcile the two sides, but their approach turned out to be the wrong one.

"Personally, I can say that they defended integration with the Stalinists for too long a time," Tamminen said.

In Tamminen's opinion, Saarinen maintained a vigorous course at the party congress.

"CPSU Gets Distorted Information"

"This was particularly noticeable in terms of the way Saarinen dealt with the CPSU message, which went so far that some comrades were referred to as being hostile to the Soviet Union.

"As I understand it, those persons who handle Finnish and Scandinavian relations in the CPSU get their information from Sinisalo's men.

"Thus the CPSU has been getting distorted information.

"I do not believe, however, that all comrades in the CPSU operate in this way. Nevertheless, party decisions are made unanimously.

"Perhaps in the Soviet Union they regard an SKP that first of all considers the CPSU point of view and only then the Finnish one as more to their liking.

"This does not, however, mean that I would not respect the CPSU's observations.

"In connection with the occupation of Czechoslovakia, the Stalinists immediately knew how to choose the right side. I believe that SKP leaders' criticism of the Soviet Union at least produced a clarification of our attitude toward the Soviet Union."

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CP LIBERAL ORGAN VIEWS ITS STALINIST OPPONENT, TIEDONANTAJA

Helsinki KANSAN UUTISET in Finnish 10 May 82 pp 2,3

[Commentary by Seppo Siivonen]

[Text] The so-called press question was anticipated to be one of the most important and difficult issues at the extraordinary congress of the SKP [Finnish Communist Party]. It was even predicted to be so difficult that it will not be possible to resolve at the meeting. On the other hand, it has been said that no separate so-called press question even exists. It is a question of party division and independent activities, the solution of which is also a condition for resolving problems connected with the press.

KANSAN UUTISET has turned to the editors-in-chief of the provincial people's democratic newspapers asking them for their professional opinions on the situation in the people's democratic press and the possibilities of its development.

We have asked for evaluations from editors-in-chief Into Kangas of KANSAN TAHTO, Aarre Makela of SATAKUNNAN TYO, Tapani Elgland of KANSAN AANI, Ilkka Lappalainen of HAMEEN YSTEISTYO, and Erkki Antikainen of KANSAN SANA.

TIEDONANTAJA -- Outsider

TIEDONANTAJA and the political line it represents is felt to be the most urgent issue of the so-called press question and this newspaper has been seen as the general basis for maintaining separate activities. What are the opinions of the people's democratic editors-in-chief on this issue?

TIEDONANTAJA has become a tool of the party's internal struggle, the organ of the minority faction, states Into Kangas. He states that the journalistic principles and traditions of KANSAN TAHTO are completely different. KANSAN TAHTO is, above all, an instrument of the working class in the struggle against capitalist circles and bourgeois rulers. For this reason Kangas decisively rejects TIEDONANTAJA's editorial policy.

In the opinion of Editor-in-Chief Aarre Makela TIEDONANTAJA represents such a one-sided journalism that it is not even valid. He emphasizes the imperativeness of recognizing real facts and carrying out an editorial policy of unconditional honesty. This must be the premise for everything and Makela states that this is the manner in which SATAKUNNAN TYO has been published for all these many years.

It is not possible to come out against democratically made decisions and party policy on the pages of KANSAN AANI as is being done in TIEDONANATAJA in the opinion of Tapani Elgland. For a long time already I have not believed that an editorial policy emphasizing propaganda and agitation is constructive. Elgland states that he places more trust in a documentary policy in which an attempt is being made to depict this society and the living conditions of its people and to provide a direction on this basis.

Elgland considers the editorial policy of TIEDONANTAJA to be obsolete since in it it is assumed to be self-evident that people are ready to change society and the only thing that is needed is incitement, agitation, and propaganda to initiate the avalanche. Such a readiness does not exist. Issues must first be explained to the people before such a movement can be created.

Ilkka Lappalainen is not satisfied with TIEDONANTAJA's style, but she is also not satisfied with KANSAN UUTISET. She states that there is room for improvement in all our newspapers. HAMEEN YSTEISTYÖ has no reason to model itself after TIEDONANTAJA any more than KANSAN UUTISET. According to Lappalainen it has its own policy line based on the political spirit of the area it represents and the intent is to develop on the basis of this policy and its own personality.

In the opinion of Erkki Antikainen TIEDONANTAJA's negative trait lies in its opposition to its own party and party leadership. He does not want to reject a critical stand, which presently seems to be prevalent even elsewhere, but he does reject TIEDONANTAJA's organized activities against our movement. Antikainen adopts a positive attitude toward TIEDONANTAJA's articles on peace, socialism, and solidarity, but there are no differences of opinion with respect to these issues within the party and thus there is no need for a separatist newspaper to promote these issues.

Newspapers Have Strong Will To Develop

The provincial people's democratic newspapers have ambitious development plans, the accomplishment of which in the present decade has brought about a perceptible increase in circulation.

The editor-in-chief of KANSAN SANA estimated that his newspaper has suffered more than the other papers from the present situation in the SKP. Of the four large district organizations in its circulation area only the Kuopio District of the SKDL [Finnish Peoples Democratic League] recognizes it as its own. Cooperation between the district and the newspaper has been good and it has helped the maintenance of support for the people's democratic movement in the area.

KANSAN SANA has been able to double its circulation in the last 10 years and even though the situation is still not satisfactory, Antikainen indicated that there is room for our activities in the areas of Savo and Northern Karelia also. The normalization of the situation would be the key to positive development with respect to circulation, activities, and support. The newspaper's new equipment and editorial reform work based on readership research are promoting this issue.

The editor-in-chief of HAMEEN YHTEISTYÖ has the same to say about party division and the development of his newspaper's circulation. He states that his newspaper is struggling to become the joint paper for all Communists and People's Democrats in the area. "I would say that in practice we are already this even though an agreement has not been reached on this issue between the district organizations," states Lappalainen who believes that the congress will be able to find a positive solution so that even this point of friction could be eliminated.

Into Kangas also ties the development of KANSAN TAHTO to a solution of the internal problems in the movement. Unless the SKP is able to restore orderly and unified activities, the prospects of the press will also be poor, however, better than the average for KANSAN TAHTO, estimated Editor-in-Chief Kangas.

Aarre Makela is optimistic about SATAKUNNAN TYÖ. The newspaper has received considerable recognition since the inception of its "Red Rotation" as well as for the improvement of its outward format and content. In the fall the newspaper will have a new editor and this will also improve the opportunities of SATAKUNNAN TYÖ for being a better "comrade helping a comrade", which it has always tried to be in accordance with its policy line. Makela states that the newspaper intends to increase its circulation next year also.

Since last fall a revision of the editorial policy in a documentary direction has been accomplished in KANSAN AANI. Tapani Elgland states that the editorial staff has outlined and weighed its capabilities and has determined its will to publish a newspaper for People's Democrats in Pohjanmaa. The newspaper is being published in accordance with five main criteria. It is a timely, provincial, critical, discussive, and people's democratic daily paper.

The So-Called Press Question

"We do not have an actual press problem which we have wanted to bring up," states Aarre Makela. "Since TIEDONANTAJA is not a newspaper created by our movement, but was established contrary to party regulations and the editor-in-chief was appointed without the permission of the party, it is not our press problem. TIEDONANTAJA is a newspaper outside of the movement and as far as I am concerned it continues to operate as such," he states. "I am not demanding that it cease its operations and we have never demanded such even in SATAKUNNAN TYÖ. Finland is a free country and we can publish 'anything' we want," points out Aarre Makela.

In the opinion of Erkki Antikainen a solution should be based on the premise that our newspapers should function in accordance with the aspirations of our party and movement and thus support them.

On the part of our newspaper publishers he expects more solidarity with our own movement. By this he does not mean a suppression of criticism or discussion, but that we should also recognize our own responsibility as members of the party and the movement. We are also partially responsible for the present situation, notes Erkki Antikainen.

"I see a reevaluation of the whole people's democratic movement and the information policy of its press on the basis of the principle of public information as the real press problem," states Into Kangas. "This above all entails a strengthening of the material base of the press in such a way that more and more families supporting the SKDL will become subscribers and readers of their own paper. Only in this way can we increase the dissemination of our message."

Ilkka Lappalainen wants to keep KANSAN UUTISET as the chief organ of the SKP and the SKDL and at the same time improve the economic position of the provincial papers so that the local papers will not be overrun by KANSAN UUTISET. He considers the idea of making TIEDONANTAJA the district paper of Southern and Eastern Finland as a dead issue and points to the possibility of making it the paper of Turku District, which is presently badly neglected as far as the media is concerned in our movement. According to Lappalainen some other district organization could also come into question here. He proposes that the operations of PAIVAN POSTI be suspended and that KOMMUNISTI be changed into a quarterly periodical.

Lappalainen rejects the idea of supplementing editorial policy on the basis of a factional concept. Factionalism should be abandoned. He states that the newspapers do not have the financial resources to pay factionalist editors since there is an ever growing need for personnel with proficient professional skills, who would also, of course, be politically strong. It has become apparent that the challenges of communications have become so difficult that we can no longer get by with the old concepts, emphasizes Ilkka Lappalainen.

"The so-called press question is not a problem in itself, but it is a consequence of the division within the party," explains Tapani Elgland. "It will be eliminated only when the party and the whole movement is able to unify itself politically and organizationally. For this reason I have not considered any solution to a separate press problem to be at all important," he states.

The immediate task of the party would now be to establish a direction of development for the people's democratic press and to set up a program of policy objectives. This according to Elgland would be much more important than a needless discussion on such a publication over which the party has no jurisdiction.

According to Elgland publications representing the movement should be enumerated, their territorial and political position, their objectives, content, development policies, economic resources as well as their economic plans for more than a year in advance should be determined. All this should be planned and in this lies our press problem and not at all in which area TIEDONANTAJA appears or what possible organizations of the party it represents. In TIEDONANTAJA it is only a question of what policy it represents, emphasizes Elgland. Any other discussion concerning it is a waste of time.

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LIBERAL PARTY DEFECTOR SEES GOOD CHANCE FOR A NEW PARTY

Helsinki UUSI SUOMI in Finnish 28 May 82 p 2

[Interview with Seppo Westerlund by UUSI SUOMI; date and place not given]

[Text] [Question] You have begun to found a new party, a progressive union. If the LKP [Liberal Party] has not gotten enough support as a party, how can you believe that an LKP splinter faction would do any better, Engineer Seppo Westerlund?

[Answer] It is not only a question of an LKP splinter faction. Also involved are independents who have not served in the LKP.

[Question] How will your new party differ from the LKP?

[Answer] Whereas the LKP has collaborated only with the Center Party, we can collaborate with everyone on issues, with the parties of the Left too.

[Question] Your movement's activists are from Espoo. What kind of support do you have elsewhere in the country?

[Answer] There were about 30 people at the founding meeting in April. At this point we have not begun to go out and get members, rather people have gotten in touch with us. About 50 people know about us now. As far as representation elsewhere in the country is concerned, at a meeting to be held in June we intend to nominate people from Turku, Tampere and Rovaniemi, among other places, to run for government office.

[Question] Aside from yours, will there be other policy "manifestos"?

[Answer] No.

[Question] Do you intend to accumulate 5,000 names so that you can get on the party register and through it on Finnish Broadcasting Corporation election programs?

[Answer] No, we merely intend to gauge our support by collecting names for voters associations through which we will nominate our candidate.

PAPER EXPLAINS KOIVISTO STATEMENT ON FOREIGN POLICY

Helsinki UUSI SUOMI in Finnish 27 May 82 p 2

[Editorial: "Unchanged Foreign Policy"]

[Text] President Mauno Koivisto has objected to conjectures expressed abroad as to the changing of Finland's foreign policy line. In the first real speech on foreign policy made during his term in office, Koivisto somewhat expressionlessly, but unambiguously, presented his policy line: "The fundamental elements of our foreign policy are unchanged and they will not change during my term in office."

It is well for us to base our assumptions on this both in Finland and abroad.

In themselves conjectures expressed in some foreign newspapers regarding a change in policy line are not expert enough to even deserve such a momentous reply. But the new president's assumption of office has created an atmosphere favorable to all sorts of unfounded speculations. That is why it is best to refute them while they are still fresh.

President Koivisto primarily dealt with Finland's position on a Nordic nuclear-weapon-free zone and the talks held on the Friendship, Cooperation and Mutual Assistance Pact.

Concerning a nuclear-weapon-free North, he referred to his election campaign speech in which he reaffirmed Kekkonen's opinion that it was even more timely than before, going on to say that "there are, however, naturally also divergent views on the details of its realization."

Since Koivisto does not now see any reason for adding anything to this statement of his which is to be interpreted as his continuing that policy line unchanged and, therefore, as meaning a zone that covers all the Nordic countries.

The unchanged situation was also stressed in that part of his speech that tourched on the Friendship, Cooperation and Mutual Assistance Pact. Koivisto referred to his speech last January in which he felt that that sort of theorizing which articles on the military policy of the Friendship, Cooperation and Mutual Assistance Pact had become the object of was peculiar and unnecessary.

At that time he felt it opportune only to get ready for extending the duration of the pact, for the third time, without there yet being any reason for changes.

Koivisto affirmed the important self-evidence of this point as such.

Worthy of note in the speech Koivisto gave Wednesday was his firm belief in the unshakability of our foreign policy line. Academic discussion of the policy line is permitted and should be accepted because it will not shake the policy line in any one direction or another. Koivisto asserted that times have changed enough for us to be able to discuss foreign policy with less emotional involvement precisely because we agree on basic solutions.

No one can add anything to this. Hopefully, speculation over changes will die down and we will be capable of distinguishing talk from the intention to make changes everywhere.

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CP CHAIRMAN KAJANOJA DISCUSSES GOALS FOR ECONOMY

Helsinki UUSI SUOMI in Finnish 23 May 82 p 24

[Article by Timo Lippinen: "Kajanoja Doesn't Want to Lure Voters"]

[Text] New Finnish Communist leader Jouko Kajanoja is different from the ordinary party leader in many ways.

He intends to lead the Finns to socialism of a kind that does not yet exist anywhere. He criticizes his party for having been short-sighted in its policy up to now, a policy people do not understand, and he disregards the SKP's [Finnish Communist Party] low ratings in the Gallup polls, saying:

"Broadening our support base is not our chief mission."

On being elected SKP chairman, Kajanoja recently announced that he would leave his minister's portfolio for someone else to carry and himself concentrate on uniting the party's ranks.

Kajanoja does not yet want to say when he will give up his labor minister's duties, merely asserting that "a collective decision has not yet been made."

Kajanoja was completely silent on his poll of the Stalinists with a week of "integration negotiations."

"I don't intend to say a word on this matter," he replied.

Kajanoja's Socialism

The most fundamental questions got the chairman to open his mouth. "It's not easy to answer as to what kind of socialism mine would be," he began.

"The kind of socialism that will be coming to Finland doesn't exist anywhere else.

"In my opinion, it doesn't make sense to talk about or depict Finnish socialism in a precise way.

"On the other hand, its outlines and essential characteristics can be sketched."

So said Kajanoja, who dug out of his briefcase a 1965 Central Committee resolution he had mentioned as being of interest. It dealt with the Finnish road to socialism.

"The essential characteristics of Finnish national life will be preserved. A multiparty system, a national representative institution, freedom of speech and assembly, the right to strike and engage in demonstrations, free elections, communal self-government and a [political] opposition will be inherent in the new society too," Kajanoja explained.

What Will Be Nationalized?

What do you want to nationalize? There does not seem to be any great change in the list you have just given.

"We can in part adopt the model of the socialist countries.

"First of all, I would at least nationalize the banks and insurance companies as well as the big monopolistic firms, the wood conversion and metal industries," Kajanoja mused.

The Communist leader would, however, spare the small businesses: "They would be allowed to operate on an individual basis "as is the case in the GDR."

Farmers would be handled with kid gloves. "I would advance very cautiously with farming," Kajanoja noted.

"Even during the capitalist period, I would put more farms into common operation. This line of development is at present even made difficult through government loans and subsidies," he went on.

"The Only Red Things Are a Brick House and a Saab"

Jouko Kajanoja does not believe the claims that increased prosperity would in itself pull the rug out from under the Communists' credibility.

"It is not a matter of the only red things' being merely a brick house and a Saab sitting in the courtyard.

"Our problem is a complex one, how to arouse people's interest in a social system, something that is foreign to daily life.

"The decline in our support base depends to a large extent on the capitalist way of life. In short, people are becoming individualized.

"Where we used to get together in the workers hall, nowadays we sit and stare at television and drink near beer.

"The whole production machiner has exported individualization. There is no time to consider common problems on the job any more either."

According to Kajanoja, this is one more reason for the decline in the popularity of the party. According to him, prosperity in itself has not eliminated revolutionary attitudes.

Support Base Is Secondary

Kajanoja wants the SKP to be an alternative to the other parties. Especially since Gallup-poll politicking without any ideology has become more pronounced in the SDP [Social Democratic Party] too.

"The SKP must function more effectively on the job and in residential areas. And in this way get people to act.

"Broadening our support base is, however, not our chief mission. It is up to us to try to tell people why things are the way they are. Our activity is based on a social ideology," Kajanoja said.

He nevertheless feels that weak support figures are dangerous, but they are indicative of a weak policy; they are the consequence of it.

SKP Has Made Mistakes

The new SKP leader admits that the party has made mistakes. He regards the internal dispute as a major reason for this.

But in addition to that, the SKP's message has not been understood. In Kajanoja's opinion, they have been talking in a language people do not understand. They should put Marxist terminology into a language everyone understands. So far it has met with a rejection reaction.

"Furthermore, the SKP has pioneered in demanding day-care jobs and employment funds but forgotten to tell people what it is aiming at with these demands. It would at least be something if we were talking about 60,000 homes instead of 60,000 apartments."

This is the way Kajanoja, who says he went to the school of life rather than the school of the party, put it.

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PAPER ANALYZES BACKGROUND TO CPSU, FINNISH CP SPLIT

Helsinki UUSI SUOMI in Finnish 23 May 82 p 25

[Article: "Knowledge of Finland Deficient, CPSU Differs with SKP Policy"]

[Text] The differences of opinion between the Soviet Communist Party (CPSU) and the KP [Finnish Communist Party] go back to 1968. Chairman Aarne Saarinen's sharply worded judgment of the occupation of Czechoslovakia cooled relations at the party level for a long time.

Several SKP party administration representatives went to Moscow to humble themselves and some Communist reporters made public confessions regarding their erroneous judgments. From that time on, however, minority leader Taisto Sinisalo began to appear in Soviet proceedings as a kind of alternative leader. At party meetings in Moscow it was not uncommon for Saarinen or the party administration's official spokesman to be given a chance to speak to present the SKP's salutations and for Sinisalo to be offered his own chance to speak under almost equivalent circumstances.

Specter of Eurocommunism

This dual way of dealing with the SKP is comparable to, for example, the treatment received by the Spanish Communist Party in terms of which Dolores "Pasionaria" Ibarruri's statements, which hewed closely to Moscow's policies, were published instead of Santiago Carrillo's, which clearly followed Eurocommunist lines. As for Finland, the split was by no means as clearcut as that since the reformists do not, however, constitute an unusual novelty in Moscow's relations with its sister parties.

In Finland, people have wondered at Moscow's silence following Saarinen's recent forceful speech. This silence does not, however, mean that a response may not be forthcoming. In a delicate matter Moscow must, however, have a procedure and a particularly rigorous forum for considering it. Sister party disputes and quarrels are generally not singled out in any detail in Soviet newspapers. The fact that the minority faction stayed out of the SKP candidate elections is probably also to be regarded as a temporary solution before either unity is created or a new, more courageous party arises from the ashes of the old one.

Romanov Is Sinisalo's Man

During the SKP visit to Moscow before the party congress was held, some things happened that caught the attention of observers.

That really old man from the Politburo, Arvid Pelshe, who during the whole time he has been with the Politburo has never been one of its shrewdest leaders, presented the CPSU position. Apparently chiefly by reason of neighborliness, Leningrad party leader Grigori Romanov, whose arrival in Moscow for this reason is not a routine occurrence that goes with every party visit, was also present in Moscow.

We may presume that Romanov is one of those important persons in the CPSU Politburo into whose ear Sinisalo's faction has for years whispered confidential information on the untrustworthiness of the reformists, their failure to take a stand on the class issue and perhaps even his regret over their anti-Soviet, Eurocommunist tendencies.

During the past year a couple of articles in support of the minority faction that appeared in Soviet newspapers have also been published in a Petrozavodsk newspaper under Romanov's control and in his own Leningrad newspaper.

Who Will Suslov's Legacy Go To?

We may suppose that the elimination of Aleksei Kosygin some time ago and later chief ideologist Mikhail Suslov's death have left both CPSU leaders's knowledge of Finland and their supervision over ideological orthodoxy in a slight state of neglect. There are several candidates to assume Suslov's legacy, but it will scarcely be clear who finally does do so even after next week's Central Committee meeting.

This being the case, knowledge of the area may be offered and also sought to a certain extent on the basis of purely geographical proximity and the resulting closer intercourse. We may presume that the CPSU is not quite firmly unanimous on these issues either.

A reply to Saarinen's harsh statements will certainly be forthcoming, but comments from the new SKP leaders will not necessarily be included in it until the SKP's own situation is more thoroughly clarified.

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PAPER CONTRASTS STANDS OF SORSA, KEKKONEN ON N-FREE ZONE

Helsinki UUSI SUOMI in Finnish 23 May 82 p 2

[Editorial: "There Is No Shortcut in Foreign Policy"]

[Text] In an interview granted the Swedish news agency TT [TIDININGARNAS TELEGRAMBYRA], Prime Minister Kalevi Sorsa again raised the issue of a nuclear-weapon-free zone in the North, which has during the past few months been left in somewhat of a dormant stage in the other Nordic countries.

The interview was above all in response to the Swedish Government and the Riksdag, which have maintained that talks on the zone will have to wait for the development of the big power disarmament negotiations and particularly the Geneva European arms negotiations.

In his opening statement, Sorsa also divorced himself from President Urho Kekkonen's original proposal, which has hitherto governed official Finnish policy on the zone. In his interview, the prime minister went farther than restrained Foreign Affairs Minister Par Stenback has yet managed to go in his statements. To start with, it is felt that the prime minister seems to want to make the line we have adopted up to now more precise.

Looking at the situation from the outside, Sorsa was satisfied with spurring Nordic foreign affairs ministers on to more energetic talks on the zone, the first aim of which would be to achieve common agreement on the need for establishing the zone and after that on its extent.

Common agreement among the Nordic countries on the need for the zone was the point of departure of Kekkonen's proposal too. But whereas Kekkonen spoke of the North in rough terms, Sorsa specifically defined the political borders of the Nordic countries as the borders of the zone. The differences are obvious. Furthermore, especially following the running aground of a Soviet submarine, Sweden has on several occasions in its own statements demanded that the entire Baltic be drawn into the perimeter of the Nordic nuclear-weapons-free zone.

During the past year both Norway and Denmark jointly assumed a very favorable stand on the need for the zone, but later revised their statements.

At the heart of Kekkonen's original proposal was the claim that, irrespective of their small size, the Nordic countries have the responsibility of taking care of their security and actively proposing initiatives to the big powers. Sorsa attaches himself to the notion of responsibility. His own activeness in the field of foreign policy generally receives clear support in Finland too.

On the other hand, Sorsa has let up on Kekkonen's basic idea that the Nordic countries must negotiate on the zone right from the start with the nuclear-weapon powers, the two leading big powers. According to Kekkonen, right from the start the big powers must be allowed to present their views in the negotiations and they should have to give assurances that they would under no circumstances use nuclear weapons against the nations that are party to the agreement. In Kekkonen's proposal, these obligations of the big powers were the basis for the realization of the project.

For a long time we have been nowhere in our relations with the big powers. In light of the most recent indications, we are getting away from that situation. There is, however, a long way to go to reach a point where we can get the big powers to sit down at the negotiating table with the Nordic countries for the purpose of getting them to give up at least some of their interests in the Nordic area.

Kekkonen's original proposal need by no means be a saintly relic to be accepted as is without changing a word of it. It is, however, such a carefully thought out point of departure for negotiations that it does not pay to go ahead and dismember it entirely.

Of course, it is obvious that Prime Minister Sorsa has in mind — not yet publicly expressed — an idea based on Alva Myrdal's model for a Finnish-Swedish miniature zone. The current Swedish Government has, however, rejected it because of Sweden's demand for the Baltic to be included in the zone.

According to the Myrdal model, both countries would by declaration announce to one another, their neighbors and the big powers the establishment of their own nuclear-weapon-free zone and would ask the others to respect the declaration.

In practice, the Myrdal model is a declaration of intent which does not establish a realistic zone. In terms of big power policy its real value is nil. From the standpoint of public opinion, it can, on the other hand, be of momentous importance.

Declarations and the consideration of public opinion display the political practicality of Sorsa's interview. Unfortunately, Sorsa cannot at the present time hope that the other Nordic countries will give his views their blessing, but he can probably figure on the Swedish elections' leading to a change in the government. A new Social Democratic government in Sweden in the fall might warm up to the idea of a miniature zone.

Thus Prime Minister Sorsa granted his interview more as chairman of the Social Democratic Party than as prime minister. Some of his reasons for doing so may be sought for in the job he has been doing as chairman of the Socialist International Disarmament Group.

The problem is, therefore, the choice between the continuation of a conventional, official foreign policy based on negotiations and a new kind of foreign policy that relies on public opinion and a political mass movement. The latter course would fairly soon give the world its own separate Finnish nuclear-weapon-free zone. Its high price would be the abandonment of credibility in foreign policy decision-making and policy line. Because of this, it is best to stick to a conventional foreign policy position and through it, although painfully so, set our sights on a zone that encompasses all the Nordic countries.

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FOREIGN MINISTRY UNDERGOING WIDESPREAD EMBASSY ROTATIONS

Helsinki UUSI SUOMI in Finnish 24 May 82 p 3

[Text] Ambassador Jaakko Iloniemi, whose name has been mentioned as a candidate for Finnish ambassador to Moscow and who is now serving in Washington, will probably remain at the post he has occupied until now. Iloniemi has firmly established his presence and it is felt that transferring him elsewhere would not be justifiable.

One of two others mentioned besides Iloniemi: either Secretary of State Matti Tuovinen or the current ambassador to Paris, Aarno Karhilo, will probably succeed Jaakko Hallama, who has been ambassador to Moscow for 8 years now on this tour of duty. During their civil service careers, both of them have had experience in handling relations with the Soviet Union.

Bern Set in Motion

An extensive round of appointments in the Foreign Affairs Ministry's highest official missions and at the most important Finnish Foreign Service posts has been set in motion due to ambassador to Bern Joel Toivola's retirement.

In December the current ambassador to London, Richard Totterman, who will have been in Great Britain 8 years, will be appointed to the post Toivola, who is to retire, now occupies.

The other changes in this extensive series of rotations are so far unconfirmed. Ambassador Jaakko Iloniemi, who has been in Washington for about 3 years, will probably continue to retain his post and is therefore not included in the round of rotations.

Korhonen to the United Nations

Undersecretary of State Keijo Korhonen of the Political Department of the Foreign Affairs Ministry is being transferred to the United Nations as Finland's ambassador for an important mission which he has evinced interest in.

Several competent diplomats, among whom current ambassador to the United Nations Ilkka Pastinen is running a very strong race, have placed their bids for Korhonen's post as undersecretary of state.

One of the possible candidates for the post of undersecretary of state is also professor of international politics Klaus Tornudd, who transferred last year from the Ministry of Foreign Affairs to the University of Helsinki and whose leave of absence this time will last until the end of the year.

11,466
CSO: 3107/129

LIBERALS REFUSING TO ACCEPT CENTER MERGER; FOUND OWN PARTY

Helsinki HELSINGIN SANOMAT in Finnish 27 May 82 p 11

[Article: "Liberal Party Union With Center Party Creates New Faction"]

[Text] The Espoo wing of the Liberal Peoples Party will begin its own party activities. The faction opposing the merger of the LKP [Liberal Peoples Party] with the Center Party has registered the name Progressive League. The league will hold its founding meeting in the beginning of June.

The initiator of the Progressive League is Graduate Engineer Seppo Westerlund, who is a representative of the LKP on the Espoo City Council. Eila Aro of the city council faction is also joining the Progressive League.

In addition to Westerlund, purchasing chief Kainu Mikkola and Aila Virtanen, who has worked in advertising, have reserved the name Progressive League in the registry of associations.

Westerlund's faction intends to assemble those interested in this issue at a meeting to establish the league in the beginning of June. The intent is to hold a regular meeting in October. At that meeting there will be a discussion of other issues, for example, participation in parliamentary elections. The Progressive League intends to nominate candidates for the March elections.

Westerlund, who lost his seat in the parliament in the last elections, will possibly try again even though he has previously stated that he would not do so.

Westerlund characterized progressiveness as the principle of the Progressive League, which will function in the manner of a political party -- "liberalism will not be the dominant idea in the Progressive League".

According to Westerlund in its program the Progressive League will emphasize the ecology, a person as a human and social unit, and responsible freedom.

Leadership Group Will Have Own Areas of Responsibility

The intent is to elect an 11--15-member governing body to the leadership of the Progressive League at its founding meeting. The league will not have

an actual chairman. The intent is to elect to the leadership of the league a group of several people, each of whom will have a certain area of responsibility.

Westerlund has not yet resigned from the Liberal Peoples Party even though the LKP has been a "dead party" for him since 23 March. At that time the Liberals and the Center Party decided in their leadership organ on the merger of the LKP with the Center Party.

The party congresses of the LKP and the Center Party will approve the merger at meetings to be held in 3 weeks. After the merger the LKP's position in the Center Party will correspond to that of the Center Party's women's organization, for example.

Seppo Westerlund as well as Eila Aro intend to resign from the LKP after the party has merged with the Center Party. According to Eila Aro the Progressive League will not, however, be any kind of new party and those joining it can remain as members of the LKP if they so wish.

After the LKP congress the four Liberals in the Espoo City Council intend to name their faction the "liberal faction".

10576
CSO: 3107/125

PAPER CHALLENGES WESTERN PRESS VIEWS OF FOREIGN POLICY CHANGE

Helsinki HELSINGIN SANOMAT in Finnish 26 May 82 p 2

[Editorial: "Unfounded Impressions Must Be Rejected"]

[Text] The limited scope of our foreign policy experience is perhaps explained by the fact that we take nearly everything that the foreign press deems justifiable to state about us too literally. Finland cannot isolate itself from the rest of the world, but to a certain degree there is some truth to the following wisdom: a house remains the same while the stranger goes his own way.

Certain Western observers have in recent weeks predicted that after the change of presidents in Finland public opinion as well as foreign policy changes will take place. Development in these areas is continuous, but it certainly does not contain the kind of exceptional features thought to be present by outside political speculators.

We must of necessity make certain that speculations presented abroad cannot even in the smallest degree be allowed to gnaw away at the credibility of the foreign policy line we have adopted. In practice this presupposes of the keepers of foreign policy a careful observation of the discussion being conducted and if necessary participation in it with authoritative speeches.

As seen from abroad the atmosphere in Finland has become decisively more free since President Urho Kekkonen's retirement. However, we are not permitted to draw from this such conclusions that the state of affairs in question will inevitably result in a revision of policy lines.

Fortunately, our situation has recently been analyzed in somewhat the same manner in our own domestic press. This becomes apparent regardless of whether we are acquainted with the positions of the foreign minister or, for example, the opinions of certain researchers or thinkers representing leftwing parties.

Professor Osmo Apunen, who writes a column in the chief organ of the Social Democrats, among others, does not believe that any change "would have occurred, is occurring, or is intended to occur" with respect to Scandinavia. In his opinion such interpretations are the result of President Mauno Koivisto's statements connected with "unnecessary looseness".

In Communist quarters Erno Paasilinna, for his part, has examined the possible impact of relations between the Finnish and Soviet communist parties on the rest of society. In this connection he accurately emphasizes: "No derision is seen or heard in the press. This is a good sign of how Finns think about issues."

All in all, the highest leadership of our foreign policy could not long resort to a low profile in light of the concern and occupation with such open questions on the part of domestic opinion as well as foreign observers. In this area President Urho Kekkonen demonstrated his proficiency many times.

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KOIVISTO STRESSES CONTINUITY IN FOREIGN POLICY ADDRESS

Helsinki HELSINGIN SANOMAT in Finnish 27 May 82 p 11

[Article: "Kekkonen's Work Makes A New Kind of Discussion Possible"]

[Text] A discussion on foreign policy can today be conducted with less emotion than before since there is unanimity on the fundamental issues and solutions. This, to a great degree, is due to the life work of Urho Kekkonen.

This is how the change in the times was depicted by President Mauno Koivisto on Wednesday when he spoke at a luncheon given in honor of parliamentary leaders from neighboring countries.

In his speech President Koivisto rejected allegations presented in the foreign press that there has been a change in Finland's foreign policy line.

The president's speech in its entirety was as follows:

I wish to express my heartfelt welcome to all of you. Since this luncheon is connected with the 75th anniversary of Finland's unicameral parliament, I will use this occasion to discuss certain timely questions concerning our country.

When I took the oath of office before the parliament 4 months ago almost to the day, I did not believe that it would be too difficult to assure the outside world of the stability of our foreign policy line. Indeed, the vast majority of Finland's people and all important political forces are unanimous in this.

The difficulty did not lie in assuring the government's of foreign countries. This has become undeniably apparent in connection with those visits which I have had an opportunity to make in this short period of time to our neighboring countries of Sweden and the Soviet Union. The same holds true with respect to those discussions I had with the president of France.

On the other hand, the foreign press has observed changes even though on my inauguration day I assured its representatives: "that Finland will continue unfalteringly on the path pointed out by my two predecessors".

I want very forcefully to emphasize that the foundations of our foreign policy are unchangeable and they will not be changed while I am president.

"A Zone Is Timely"

The question of a Nordic nuclear free zone has been cited as an example of a change in our foreign policy. It has been argued that in this question I hold a different position than that of my respected predecessor.

I stated my position in November of last year at the Tampere Paasikivi Society: "The development of nuclear weapons and the attempt to rearrange alliances have increased the timeliness of the proposal made by President Kekkonen 18 years ago to establish a Nordic nuclear free zone. To my understanding the importance and timeliness of this issue has been understood in all the Nordic countries. On the other hand, there are naturally understandings differing from one another with respect to individual points in the implementation of this plan.

"From an international point of view the situation in the Nordic area is stable and peaceful to a large degree for the very reason that it has in practice been a nuclear free zone."

I have nothing to add to this.

The ideas I presented last March in the Kremlin are in complete conformity with the above. The absence of nuclear weapons in the Nordic area must be secured by preventing negative changes and working for the establishment of a nuclear free zone. The Finnish Government will make every effort to achieve this goal together with our Nordic neighbors.

To me it is completely inconceivable that President Kekkonen supposedly expressed less interest in Nordic cooperation than I.

Since a discussion conducted on the YYA [Friendship, Cooperation, and Mutual Aid] Pact has also been brought up in this connection, I would like to reiterate what I stated last January: "Recently, much has been said about the YYA Pact, which in itself is not amazing. Indeed, its significance is decisively important to the whole Paasikivi-Kekkonen foreign policy line. However, in my opinion the theorizing on the military policy articles of the YYA Pact has been strange and unnecessary. The YYA Pact is a good agreement. It must be seen in its entirety and be read as it was written. The only issue that is timely is preparations for continuing the existence and validity of the pact, now already for the third time, without any cause for introducing any changes into it."

Also I have nothing to add to this above and beyond the discussion that has been conducted.

I have nothing against academic discussion. It will not change our policy in one direction or another. It would be a different matter if significant political groups questioned the basis of our foreign policy, of which there are, however, no signs.

The times have changed to such a degree that a discussion on foreign policy can today be conducted with less emotion since there is unanimity on the fundamental solutions. This, to a great degree, is to the credit of Urho Kekkonen's life work.

Gentlemen!

I propose a toast to the honor of the 75th anniversary of our parliament. My best wishes to you personally and to cooperation between our countries, stated President Koivisto.

An Answer to Articles in the Foreign Press

President Mauno Koivisto's short speech concerning foreign policy on Wednesday was an answer to foreign press articles in which suspicions have been expressed that the course of Finland's foreign policy is turning to the West.

NEW YORK TIMES correspondent John Vinocur, among others, took as his premise that Koivisto did not mention the Nordic nuclear free zone by name in the Kremlin.

From this Vinocur came to the conclusion that Koivisto's interest in a zone is less than that of his predecessor, President Urho Kekkonen. Vinocur also estimated that Finland's foreign policy would become more oriented toward the Nordic area.

Kekkonen's proposal originates from the year 1963 and in 1978 he emphasized it by taking into consideration the superpowers and the forceful development in weapons technology.

The conservative Norwegian newspaper AFTENPOSTEN also presented an evaluation similar to that of the NEW YORK TIMES and the conservative Swedish newspaper SVENSKA DAGBLADET also brought recent attention to the Kremlin speech.

However, not one of these press articles mentioned that the nuclear free zone is contained as a timely issue in the final communique of Koivisto's visit to the Soviet Union, in which the continuity of Finland's foreign policy line is confirmed after the change of presidents.

However, on Wednesday Koivisto stated clearly to the parliamentary leaders of Finland's neighboring countries that Finland's foreign policy will not change during his term of office.

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POLITICAL

FINLAND

KEKKONEN AIDE: KEKKONEN ERA WAS TIME OF 'RARE FREEDOM'

Helsinki HELSINGIN SANOMAT in Finnish 28 May 82 p 3

[Article: "Eino Uusitalo Indignant Over Depreciation of Kekkonen"]

[Text] The atmosphere in Finland during President Urho Kekkonen's term of office was one of rare freedom, stated Kekkonen's domestic policy aide Eino Uusitalo (Center Party) on Friday. According to Uusitalo a corresponding freedom of expression will have to be found elsewhere.

According to Uusitalo the discussion and articles on the liberation of the atmosphere in the post-Kekkonen era are alarming. In Uusitalo's opinion the fact that Kekkonen's significant work is being forgotten and even being disparaged is also to be considered strange.

"One also becomes indignant when it is said that in recent years President Kekkonen did not always know what he was doing or that others used power on his behalf. President Kekkonen always knew what he was doing and in whom he trusted. Whoever claims otherwise does not know President Kekkonen," stated Uusitalo.

Uusitalo emphasized Kekkonen's significance as a builder of Finland's foreign policy. According to Uusitalo there is reason once again to emphasize that "our relations with the Soviet Union make up the basis of Finland's foreign policy".

Uusitalo, who spoke in the Center Party's parliamentary faction, considered it positive that President Mauno Koivisto has repeatedly given assurances regarding the continuity and immutability of the fundamentals of our foreign policy.

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BRIEFS

WIDESPREAD SUPPORT FOR KOIVISTO—About 85 percent of the Finns are satisfied with the way President Mauno Koivisto is handling the presidency. This was revealed in an opinion poll conducted by Gallup and published by the newspaper KALEVA. Thirty-one percent of those polled were very satisfied with it and 54 percent fairly well so. Nearly 1,000 people from different parts of Finland responded to questions in the poll conducted between the end of April and mid-May. Half of the Social Democrat supporters were very satisfied and 44 percent fairly well satisfied with Koivisto's actions and 29 and 58 percent of the SKDL [Finnish People's Democratic League] supporters respectively were satisfied with them. Eighteen percent of the Center Party supporters were very satisfied, 62 percent fairly well satisfied and 14 percent satisfied with some things and dissatisfied with others. The corresponding figures for Conservative Party supporters were 18, 60 and 13 percent. Of supporters of other parties, 36 percent were very satisfied, 55 percent fairly well satisfied, 2 percent satisfied with some things and dissatisfied with others and 7 percent pretty dissatisfied. [Text] [Helsinki UUSI SUOMI in Finnish 31 May 82 p 3] 11466

SUOMINEN VIEWS USSR TRADE—Finnish-Soviet trade will be balanced out over an interval of several years. This is what Conservative Party chairman Ilkka Suominen said at a seminar on trade with the East organized by his party. "I do not concur with those nervous statements about future export potential that have appeared in certain Finnish trade publications," Suominen remarked. At the seminar organized in Helsinki on Monday, the Conservative Party leader used defense procurements from the Soviet Union as an example of deals on which swift agreement has been reached, thus helping the situation. According to him, we will, however, not succeed in balancing trade without intensifying our efforts. In Suominen's opinion, our export trade cannot go on as it has up to now, particularly in the more rapidly developing fields. Since the rise in the cost of energy no longer affects the situation, both countries will have to develop trade on the basis of prevailing conditions. [Text] [Helsinki UUSI SUOMI in Finnish 1 Jun 82 p 6] 11466

CSO: 3107/133

JOSPIN DEFENDS GOVERNMENT 'LEGITIMACY,' POLICIES

Paris LE MONDE in French 4 May 82 pp 1, 10

[Article by Lionel Jospin, first secretary of the French Socialist Party:
"Strange Supporters of Legitimacy"]

[Text] In the article entitled "Legitimacy and Legality" in the 26 March 1982 L'EXPRESS, Mr Peyrefitte writes: "Legality is not enough to govern the French. Their continued support is required to confer legitimacy upon the government." Later he adds: "The real country is moving away from the legal country."

The amazing "swan song" which Mr Labbe, president of the RPR [Rally for the Republic] group, entoned in the National Assembly several days ago--we know that he has said of the prime minister and the president of the Republic: "let them [illegible], they are [illegible]--offended many ears. It would even seem that many who were present at his performance found that he was overdoing it. But, maligning a division assumes that it exists.

For several weeks there has been a theme in the air which several opposition politicians have overembellished. Let us cite a few examples. In the 9 April 1982 FIGARO-MAGAZINE, Michel Debre wonders: "This government is legal. Is it legitimate?," and answers straight off: "The Socialist Communist government has been legitimate. It is now only legal. It can quickly become illegitimate. This is how the days of the adventurers begin."

So, we must step down. But, who? There the responses vary. Sometimes it is such and such a minister whose actions or words do not please. Sometimes, some communist ministers who do not look right. Recently, it was the prime minister's retirement which was hinted at. Now--why stop while you are ahead--they have just invited the president of the Republic himself to step down. It is perhaps time to address some warnings to all these commentators.

It is the opposition's right to criticize our policy and the government--its legitimate right--as long as the tone and the nature of their criticism of us can be criticized in turn. Is it because they have no program or clear proposals to compare with ours, or because they have little taste for democratic debate? In any case, the two wings of the Right are adopting an attitude which is very negative and sometimes even purely destructive. All the same, it is surprising to see the irresponsibility with which the men who have been in command of the country and who hope to be so again express themselves on

sensitive questions such as monetary speculation, or dramatic ones such as terrorism. They had to face these problems themselves with no particular success, and here they are, against the interest of the country itself and the common interest, using these themes to settle accounts with relish.

But, questioning the legitimacy of the government and of the president of the Republic is much more serious still.

Naturally, there is no justification for this questioning. What kind of government is it? It is a leftist government uniting political forces representing enduring and significant trends within French society, established well before the RPR came up with its last set of initials, or the UDF formed its nebula. Where does it get its legitimacy? From the people. The president of the Republic, who appointed the government, was elected by universal suffrage 1 year ago for a 7-year term. The National Assembly, which supports him (by a very strong clear majority), was elected by universal suffrage 11 months ago for a 5-year term. .

What is the policy of this government? It is a reform policy aimed, in a world which is rapidly changing (in its production techniques, balance of power, lifestyles and values), at enabling France to realize in an orderly manner the changes which are necessary and to which it aspires: confronting the crisis; affirming our country's identity on the world scene; reducing the injustices, the inequalities, and thus the tensions, among its inhabitants; and assuring the security of its citizens without affecting their freedoms! We say that in this way we are going to move toward socialism in stages. This is our right, because we are Socialists, we presented ourselves as such to the people, and they chose us. If, in 4 or 6 years, we want to go further, then they will have to choose again.

A Satisfactory Evaluation

What is the evaluation of this policy a years later? Satisfactory. While the whole world is in the midst of crisis, we have halted the growth in unemployment, stabilized price increases and given new impetus to production. The budget deficit that we have accepted is, on the whole, lower than the one our opponents accepted. There is a problem with currency and the balance of payments, but this is a chronic problem in France when deflation is not accepted. furthermore, we are fighting these risks. We have taken important social steps. Voluminous industrial policies and considerable effort on behalf of research are testimony to our concern for the future. The country is calm on the social front, although certain people--not yet identified--are sowing seeds of terrorist violence here and there. Our country has a balanced foreign policy, and Francois Mitterrand is known on the international scene. It is true that much remains to be done, and we will do it. So, there is no crisis, none of the catastrophes that were being prophesied for us. The country is awakening from conservatism and experiencing the healthy pleasure of change.

What are our "illegitimate" acts? The nationalizations? But, these are limited in number and have been part of the Socialist Party electoral program for more than 10 years. In a country of weak capitalism like ours, they find their historical origin in the commitments of the National Council of the Resistance,

applied by De Gaulle and the Left in 1945, and their economic justifications in the performance of public enterprises for over 30 years. Decentralization? But the former majority party claimed to want that. And the law that we passed leaves us far behind the United States, West Germany or Switzerland, countries which no doubt specialize in illegitimate government. Worker's rights? But, this is only a matter of keeping a citizen at work, and extending the reforms launched in 1945 by the texts on joint production committees and personnel representatives. Do they involve the school of the Republic to which, 100 years after its establishment, we want to restore some luster? We have said that we would proceed with moderation, negotiating in a spirit of tolerance. Is it our foreign policy? We are respecting our alliances, preserving our autonomy in decisionmaking, and defending principles and values against opportunism, and sometimes against the cynicism of our immediate predecessors.

Would it be, by chance, because we did not win the canton elections? That argument is laughable. Imagine if we had declared President Giscard d'Estaing illegitimate because he had lost the 1976 and 1979 local elections! Who wouldn't have cried shame? Is Mrs Thatcher illegitimate because the Conservative Party is currently losing all the partial elections? In November, will Mr Reagan be if, as predicted, he loses the midterm elections in the two houses of Congress. Go say that over there.

If there are no justifications for the "legitimacy" argument, there are no doubt reasons.

The first has to do with the matter of change. Does the Right, or do certain members of the Right, accept it? That is the central problem. For 23 years the Left has peacefully tolerated being excluded from any responsibility. And in these two decades, nevertheless, there have been times of question: the fall of a Republic, the birth of institutions, coup attempts against the new power (which we defended against rightwing extremists), establishment of emergency courts, limitations of the right to strike, attempts on the school and social security and so on. Never, although we criticized them, did we question the legitimacy of the successive administrations and presidents. Because the people had decided!

Yes, says the Right, but with you it's different, because you are changing things. A good argument! Where, from what law manual, did they get the idea that succession is achieved through being identical, a photocopy? To have the Right recognize our right to succession, would it be necessary to conduct policy like Mr Barre or to speak like Mr Chirac? If the opposition were to succeed us, would it commit itself to governing as we do? Sculpting the interests of a social class or a political group, the passions of the moment, into the marble of eternal principles is a topic whose limitations history has taught us. The basis of the current attitude of some politicians consists of denying us the right to conduct our policy, the one which the majority of the country wanted, and this in the name of their opinion.

There is a psychological dimension to this. In 20 years of unshared power which they had thought to prolong, these men believed, and at heart still believe, that this power mandated by the people had become theirs. Defeated

in May and then June 1981, dumbfounded, they silenced the force of their instinctive reactions for awhile. Now they are being carried away by them. They must be told: "Remember that in a democracy the right to govern is won by conviction and that that often takes time. Restrain yourselves. And keep in mind that denying the right of the authorities of a country to conduct business is trying to withdraw this right from the whole nation which granted it by majority."

Historical Roots

Perhaps there are also historical roots. There have always been two large trends within the French Right: one conservative, the other reactionary. The former, often enlightened, accepted in its mind the changes which its heart denied. Guizot and Lamartine illustrated this. The latter, opposed to any change and obsessed with going backward, fought against the French Revolution, against the Republic, and then against socialist ideas when they became actions. De Maistre, De Bouald or Pétain expressed this (not to mention fascism, never accepted in France). The question which arises is to find out whether, in view of 10 May, a rightwing party in France is not in the process of seesawing from one side to the other. When he writes: "the real country is moving away from the legal country," Mr Peyrefitte is less likely than others of being unaware that he draws inspiration from one of the most resolute adversaries of the Republic between the two wars (and incidentally one of the jewels of the collaboration): Charles Maurras. A slip of an academician's tongue cannot be accidental.

Must we mention other traditions? One political trend in France has always had a taste for the "strong man" who imposes himself on or is imposed on his fellow citizens. We had big Napoleon and little Napoleon. We almost had a microscopic one, General Boulanger. There was De Gaulle, whose arrogant views and sudden appearance in history (with the Resistance) saved him from fatal excesses. But, what is striking is that the movements which carried these particular men always carried along with them not only men of action, but also soldiers of fortune.

The parliamentary commission of inquiry on the SAC [Civic Action Service] would remind us of it in the recent past if its work were not secret. The paradox would be that through impatience, levity and irresponsibility, the same people who forged the current institutions (which we respect) 24 years ago are the first to strike out against them when they won't serve them any longer. This is what, 12 months after the election of a new president of the Republic of France, pursuit of the new campaign would mean. This is why we must put an end to it.

At a time when acts of terrorism are occurring in France, this campaign is liable to cause a very serious uneasiness. Those who are expressing themselves as I mentioned must explain to the country in whose name they speak and why. Besides, they belong to parties that have responsible officials, and one of which has a well-known leader. It is time that they express themselves clearly on these basic questions. To dream of being legitimate* is lawful. To pass opinion on legality is not. Reminding everyone of this is healthy for us all.

*It is known that Mr Debré obtained 1.65 percent of the vote in the 1981 president election.

LE PORS ON CIVIL SERVICE SALARIES, NEUTRALITY, COMMUNISTS

Paris LE MATIN in French 3 May 82 p 6

[Interview with Anicet Le Pors, minister delegate to the prime minister in charge of civil service and administrative reform, by Olivier Biffaud; date and place not specified]

[Text] Development of trade union freedoms, in-depth review of salaries policy, and employment of the handicapped in the civil service, which now employs 1 percent although the quota has been set at 3 percent: in less than a year, Anicet Le Pors has accomplished an "all azimuths" program. He addresses himself in particular to measures concerning salaries which, in his opinion, involve both Laurent Fabius for the state budget and Jacques Delors for the fight against inflation; this is one way of indicating the limits of his margins for maneuver.

[Question] At the time of salary negotiations you often used the words: "The proposals I am making on behalf of the government." Did you want to hide behind the government?

[Answer] The proposals made by the minister during salary negotiations necessarily fit into the context of the government's economic, social and financial policy, in particular the policy implemented for the whole public sector. Naturally, the negotiations carried out with the civil service and national enterprises are specific for each enterprise. But the salary provisions adopted for civil servants depend on the state budget, and the words you have alluded to correspond to a reality which does not lend itself to any malicious interpretation.

[Question] Officials are guinea pigs of the Delors system. What do you think of this mechanism?

[Answer] The system of preset salary raises, applied in advance of the usual dates for raises, seems neither good nor bad per se. Everything depends on its precise features and the overall policy it is part of. It is a good system if the anticipations are appropriate. It is also necessary to attack the true causes of inflation at the same time.

[Question] Apart from anticipated salary adjustments, the policy that has been proposed does not really seem to be very different from the previous policy.

[Answer] I disagree. What we propose for 1982 is not comparable to what was done before. I will not judge the various comments that have been made about the concrete data regarding the trend of purchasing power for 1982. Each organization has given its opinion about this. But I have stressed the fact--and all the trade unions have agreed--that this trend in purchasing power is accompanied by a correction of civil service remuneration.

[Question] What measures have you taken, as far as salaries are concerned, now that you have been in office almost a year?

[Answer] Eight steps have been taken which mark a significant difference between past and present salary policy:

1. A significant increase in low salaries, in the form of indexing points with integration of premiums and indemnities that had been placed at the bottom of the salaries grid so as not to increase salaries subject to withholding for pensions. All this was clarified and transformed into indexes;
2. The anticipation system has begun;
3. Publication of "letter-scale" salaries (the highest ones) last January;
4. Establishment of a working party including the Ministries of Economy and Budget to study indemnities and premiums;
5. The four index scales will be reduced to two; later there will be only one;
6. Review of the indicator used to measure the evolution of purchasing power;
7. Examination of salary policy in 1983 parallel to the 1983 budget; until now it was the residue of budget discussions.
8. Review of indexing for three categories of civil servant (including teachers).

[Question] Do you have any information yet about the relationships between premiums and indemnities?

[Answer] According to the studies which have been done, indemnities are usually only 10 percent of the salary on the average. Barely more than a 13th month. I know there are large discrepancies from one department to another, and even within departments. But a thorough study will be needed to distinguish as clearly as possible between indemnities representing costs--those corresponding to real supplementary work, or to undeniable justifications--from those which are a salary supplement. There must be further and progressive integration of common items. It will probably take several years to sort things out....

[Question] No "witch hunts" in the upper ranks of the civil service. Is this due to "ideological humanism," or is it simply because you did not have any civil servant replacements handy?

[Answer] I never asked myself the question in that way. I have never asked civil servants to do anything but serve the government in the spirit which seems to me to correspond to the French concept of civil service.

I know there are cases of resistance to change. It would be surprising if there were not. After two decades of interference, it would be strange if the civil service were not somewhat set in its ways. But I must say that in a large part of the civil service, I have noted a predominance of its traditional qualities, which are well known internationally: equality of access to the civil service, political independence of civil servants, full citizenship.

[Question] What is your concept of the neutrality of the civil service?

[Answer] There are two concepts of neutrality. The first tends to reduce, to limit, to contain all the attributes of citizenship in civil servants. This concept is embodied in the 1975 Chirac circular which I abrogated as soon as I took office. The second concept considers civil servants citizens who may fully exercise their rights. There are 2 million so-called "classical" civil servants; if you consider the fact that these 2 million reflect French reality, you can find the full gamut of political ideas in them. So neutrality should be based on this pluralism.

[Question] Force Ouvriere [Workers Force] is still threatening to put out a report on "the infiltration of the civil service by communists." Does that worry you?

[Answer] What can I say, since this report does not exist? No trade union organization has made any complaint of the sort against me. After all, consultations with the trade unions have entailed about 50 meetings, many bilateral encounters, and five meetings within 10 months of the High Civil Service Council, which only met twice a year in the past. Of course, these consultations give rise to opposing views: contradictions which I never consider insurmountable. All this is part of the democratic debate.

[Question] Is there not an element of contradiction between the decentralization project and the uniformity of the civil service?

[Answer] Contradictions are normal. Between uniformity and diversity--both desirable--the only way to proceed is via democratic debate and consultation. Putting everything on an equal footing is no solution. I think that in the case of the elaboration of statutory provisions to govern all civil servants serving the country, the region, the department, and the commune, we must build a foundation of uniformity rather than differences as a point of departure.

This is why the prime minister announced that there will be a unified civil service code with three sections: rights and freedoms of all administrative civil servants; statutory provisions governing civil servants; and special statutory provisions for civil servants in territorial organizations. This

will make it possible to reconcile--and answer the apparent contradiction between--uniformity and decentralization. Each of these sections will be the subject of a bill to be submitted to Parliament before the end of this session.

[Question] Will you participate in the CGT congress in June?

[Answer] With pleasure, if I am invited.

9855
CSO: 3100/616

ETA'S TERRORIST ACTIVITIES AGGRAVATE BASQUE ECONOMIC WOES

Madrid EL PAIS in Spanish 24 May 82 p 54

[Article by Eduardo Barrenechea, reporter on socioeconomic and political matters of regional significance: "The ETA and Basque Economic Decline"]

[Text] The delay and paralysis of the putting into service of the Lemoniz (Euzkadi [Basque Country]) nuclear power plant and the recent release to the media of the study, in book form, on Spain's national income and its provincial distribution, which the Banco de Bilbao has been publishing annually with consummate skill and a maximum of reliability, and which this year shows the decline in the Basque Country's per-capita income and productivity, have led certain press quarters (and not only the ultra-rightist but also some labeled progressive) to attribute all the socioeconomic ills that are afflicting that region to the terrorist activities of the ETA [Basque Fatherland and Liberty Group]. And this is worse than a lie: It is a grave error. It is an error that will encourage even more alleged justifications by coupists, by adding to the cold wave of bloodletting in which the ETA is submerging its own region the negative view that the region's economic decline is owing to the assassinations and attempts by the ETA.

It cannot be said--for it is untrue--that the Euzkadi will soon be one of Spain's poorest regions. It cannot be said that the actions of the ETA are to blame for the unemployment in the Basque Country . It cannot be said that the Basque Country's productivity is today Spain's lowest. It cannot be said that unless Lemoniz is put into service the Basque Country will be without electric power. It cannot be said that the Basque Country today produces only some 2 percent of its electric power needs. These and other things cannot be said--simply because they are untrue.

Those who spread such allegations merely reveal their total ignorance of the socioeconomic and structural reality of the Basque Country and a manipulation --as obvious as it is fallacious--of statistics that are available to anyone wishing to consult them with a modicum of good faith and bent upon objectivity or at least impartiality.

The influence the ETA may have had or may now have on the Basque economy is impossible to assess (except as regards the amount of the revolutionary tax, the costs of the actions being carried out against electric power substations and

the losses being incurred by not putting Lemoniz into service, in terms of the resulting delay in Euzkadi's achieving regional self-sufficiency with respect to electric power. All of this is, without doubt, as negative as it is important--though the loss in human lives is ever the much more so).

It cannot be said that the Basque Country will soon be one of Spain's poorest regions because, despite its economic decline, it is today Spain's third-ranking region in terms of per-capita income (after Catalonia and Madrid). It cannot be said that its productivity is Spain's lowest, because it is Spain's third-ranking (after Madrid's and Catalonia's). It cannot be said that the ETA's actions have generated the unemployment in the Basque Country when already in 1977 the INE [National Statistics Institute] and the chambers of commerce were forecasting that unemployment in the Basque Country could reach the highest rate in Spain, attributing this to the largely obsolescent state and excessively "monocultural" nature (basic metalworking and metallic transformations) of their industry, paralysis of construction activity (superhighways, superport, etc having been completed), and the widespread industrial crisis. These forecasts notwithstanding, the Basque Country's unemployment rate is lower than Madrid's, Extremadura's, Andalucia's, and that of the Canaries, and almost equal to those of Murcia and Catalonia. It cannot be said that if Lemoniz is not put into service Euzkadi will be without electric power and that the Basque Country will be self-sufficient only to the extent of producing some 2 percent of its power needs, because it is actually producing some 50 percent of its own needs at present. ("The Basque Country depends today on electrical energy produced by other regions to meet some 50 percent of its needs," according to statements by J. M. Barandiaran, right-hand man of the late, assassinated, Iberduero engineer Ryan). It cannot be said that Basque businessmen have fled and are continuing to flee helter-skelter from their native region and setting up in other regions, and that Neguri is empty--because it is false. Where have those big Basque businessmen set up, where have they gone to invest their capital, who are they? Jose Maria Vizcaino, president of the Guipuzcoan businessmen's association Adegui, who last year was named "businessman of the year," said in May 1981: "I absolutely do not believe there is any flight of Basque persons or capital. A slight recovery in the economic situation is all that is needed, and the Basque businessman will go on investing here."

A Nondecisive Factor

With the ETA or without the ETA, the Basque Country--from a strictly economic standpoint--would be grappling today with a situation very similar to the current one. (And that is not to deny the fact that, beyond any doubt, the ETA's actions have been and continue to be an adverse factor, a negative factor in the region's economic development--but not a decisive factor, because, as any person knows who is more or less familiar with the trend of economic events in Spain, its regions and provinces, Euzkadi's economic decline began around the middle of the 1970's.)

I realize that it will appear unseemly of me--immodest on my part--to quote myself; but 13 years ago, in 1969, when I did for INFORMACIONES the series "Chronicle of Spain," I devoted five of the 10 topical items on the Basque Country to

the "economic decline in the Basque Country ." This was a foreordained thing, a foregone conclusion with ample support from long studies on Vizcaya carried out by the Bilbao Chamber of Commerce, Industry and Navigation ("Analysis of Biscay's Economy," 1968, 2 volumes); on Alava, in two other volumes compiled by the ISPA [Social Research Institute] under the sponsorship of the Municipal Savings Bank of Vitoria and the Sancho el Sabio Institution; and on Guipuzcoa, in the four volumes compiled by Dioxiadis Iberica, SA (a consulting firm) for the account of the San Sebastian County Council. In addition to these, there was also the study by the now defunct CESIN [Interprovincial Trade-Union Economic Council of the North]. And still another "Chronicles of Spain" article on Euzkadi was titled: "The Per Capita Income: Slowed." A review of the Bilbao Chamber's monthly magazine INFORMACION would suffice to follow step by step the Basque decline and to learn its causes. Or, reference to the issue devoted by the official magazine INFORMACION COMERCIAL ESPANOLA (August 1972) to the Basque-Navarra-Rioja region, etc.

Furthermore, it should be carefully noted that Euzkadi's slump or decline has been severely felt in Vizcaya, but not in Guipuzcoa (its ETA territory par excellence), nor in Alava. Its causes were already in place in the 1970's. They were and are of structural nature: Monocultural and absolute preponderance of the basic steelmaking and transformation industry, shipbuilding, capital goods, automobile-related industry, paper, etc.

Thus, when the world economic crisis hit--hitting Spain somewhat belatedly, in 1974--all the highly specialized sectors in Vizcaya crumbled... The steelmaking sector was the hardest hit of all sectors by far: It plummeted. As a result, the speed with which the Vizcaya province's general socioeconomic situation deteriorated was from that point on higher than the average national rate. In the words used in 1975 by Jesus Dorao Lanzagorta, who during the 1960's and 1970's was head of the Bilbao Chamber's Research Service and is now the secretary of the Chamber, "We have not even touched bottom in this crisis," in view of the "specific weight exerted in the province of Vizcaya by the steelmaking sector, shipbuilding and capital goods, the downslide of which has been spectacular."

Ill-Fated Aids

To put the finishing touches to the situation, the government took to administering patches and applying stitches to unsalvageable industries, to granting their owners copious credits, tax exemptions and aids, all of which hindered the renovation of Vizcaya's industry. The intent, that is, was reconversion (an intent that is baffling, since there can be no reconversion of something that is already obsolete and has no future; it is like trying to revive a corpse). What can and should be done in such a case is to foster all approaches to renovation, to innovation, to the creation of new sectors or subsectors with rapid growth and export potentials. Ah!..., but the Neguri oligarchy carried and still carries too much weight.

Hence the thousands upon thousands of millions of pesetas that are being or have been devoured by Altos Hornos, Babcock Wilcox, Nervacero, Aceros Echeverria, etc., and the little or no aid for developing sectors--above all, Guipuzcoan--with potentials for aggressive growth and oriented toward export.

Another example--by no means an anecdotal one--that leaves no doubt of the fact that the Basque crisis in general, and the Vizcaya one in particular and more perceptibly, was already taking shape during the latter part of the 1970's is provided by the migratory trend.

The Banco de Bilbao study referred to at the beginning of this article shows clearly that the most industrialized regions are those that have borne the brunt of the crisis, together with the latifundia ones. Madrid has crumbled industrially, and the only thing that has saved it is its ample and centralized bureaucracy and its services-oriented social structure. Catalonia, with a similar industrial crisis, can fall back on a wide gamut of commercial activities, services, tourism, etc., besides a very notable regional centralism. Thus, the figures obtained by examining the trend of our internal migration between 1970 and 1975 (that is, from slightly prior to the crisis until its heated presence) are highly revealing. Where did our emigrants go? For the first time in our history, the Valencia region received, during that period of 1970-1975, 275,000 more emigrants than the Basque Country, 110,000 more than Catalonia and 17,000 more than Madrid.

That marked the beginning of the years in which the Valencia region displaced Euzkadi from its position as the third-ranking contributor to the national product.

There is more than a superabundance of reasons--humanitarian, political and social--for condemning the ETA, but the fact is that if the economy of the Basque Country is in decline it is owing neither mainly nor solely nor to any relevant extent to the ETA's actions. Without them--there can be no doubt--Euzkadi's economy would be better off; but, while the businessmen are not investing in the Basque Country, neither are they investing anywhere else in Spain. We have for many years now been suffering from a revolt against investment in each and every one of Spain's region's and/or "nationalities."

9238

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PSOE'S ORGAN GIVES LUKEWARM SUPPORT TO LEMONIZ

Madrid EL SOCIALISTA in Spanish 19-25 May 82 pp 30-32

[Article by T. B.: "Lemoniz: A Vital Issue"]

[Text] There is a feeling that things have gone too far with respect to the Lemoniz nuclear power plant, to the point where its completion has become a vital issue. It is so for the Iberduero company's engineers who, victimized by ETA [Basque Fatherland and Liberty Group] terrorism, have opted for self-preservation and abandonment of the Lemoniz project, requesting their company to transfer them elsewhere. It is so for the proprietary company Iberduero, shackled by its investment of some 240 billion pesetas and its commitment to complete the project. It is so for the PNV's [Basque Nationalist Party] Basque government. And lastly, it is so for the national government.

The assassination of the chief engineer of the Lemoniz power plant works, Angel Pascual Mujica, at the hands of the ETA--on the very day the Basque government was planning to form the new Basque Lemoniz public operating company, with the current minister of Industry and member of the PNV, Garcia Egocheaga, as its president and the putting into service of the nuclear power plant, once completed, as one of its objectives, has once again brought to the fore the temptation that has frequently been expressed by Iberduero to abandon the project. This would be tantamount to giving in to the terrorists' blackmail. A permanent blackmail. The national government and that of Euzkadi [Basque Country] are trying by every possible means to avoid that abandonment. Aside from the signed commitments undertaken between Iberduero, the Basque government and the national government, there are economic reasons why neither the PNV nor Basque industrialists nor the national government are responding to Iberduero's loud knockings.

Civil Drama

At its apex, the problem narrows down to the ETA's initials and its repeated assaults against Iberduero and its engineers--first Jose Maria Ryan and now Angel Pascual Mujica. The ensuing attitude of Iberduero's engineers is known, of course; it is logical, understandable and simply human. Neither the national government nor the Basque government have been able, clearly, to guarantee the

personal safety of the Lemoniz workers. The ETA's terrorist actions, aimed in this case at the demolition of the Lemoniz nuclear power plant, an objective that is being advocated politically by Herri Batasuna [Popular Unity], is deeply rooted in the contradictions of Basque nationalism and is provoking, with Lemoniz as a backdrop, a war between the supposedly ideological interests of some and the economic interests of others within the very bosom of Basque nationalism.

For the PNV, a decided stand against the ETA's terrorism cannot be other than traumatic, since the genealogical and very real ties that exist would impart to that stand the characteristics of a civil drama. Economic and political interests, however, are at stake.

Benefits in Suspense

For the PNV's Basque government, the completion of Lemoniz and the formation of a Basque public company to operate the nuclear plant would yield some very sizable benefits (a figure of some 1 billion pesetas annually in revenues from service has been mentioned), with the additional possibility of being able to buy the plant and with some very substantial politicoeconomic yields, namely: a) the possibility of creating an Independent Basque Energy Agency; b) that of forming a holding company jointly with the Iberduero company; c) that of being able to exploit, through the above Agency, the Bermeo gas deposit, and to participate, through provincial distribution agencies that could be created, in the distribution of gas. Currently, the entitlement to the exploitation of the mentioned gas belongs to PETRONOR (CAMPESA [Leasing Company of the Petroleum Monopoly, Inc]), with 33 percent of the shares, to banks and savings institutions, with another 33 percent, and to PEMEX [Mexican Petroleum], which is presently negotiating with CAMPESA and presumably owns another 33 percent of the shares.

The agreement signed last summer between the national government, the Basque government and Iberduero to create the Lemoniz operating company for the account of the Basque government, which would then become responsible for putting the plant into service, and through which Iberduero undertook to complete the project, is once again in a state of suspense because of terrorist opposition. The contradictions in Basque nationalism must be resolved without further delay.

Iberduero Fighting Back

Iberduero, for its part, appears determined to carry out its commitment to complete the construction of the nuclear plant. At least, that is its official stand. To begin with, it has just suspended all work contracts covered by its Lemoniz payroll, involving more than 3,000 workers. Is this a power move aimed at withdrawing from the obligations it has undertaken with the national government and the Basque government, so as to arrive at a settlement whereby Basque government, through the operating company, will actually complete the plant? The communication from the Iberduero board of directors to the workers of the Lemoniz contracting firms--Elecnor Entrecanales, Taimon and Ibemo are the

most affected--states that the political shelter on which the agreements between the national government, the Basque government and the company for completion of the plant were based has proven ineffectual as is clear from the assassination of Angel Pascual Mujica.

This attitude on the part of the construction firm responsible for the completion of the nuclear plant would seem, in principle, to be unfortunate for the national government and for the Basque government itself, both of which have made known their intention to do everything possible to ensure completion of the plant. Failing this, both executive branches would find themselves in a difficult political bind, victims of terrorist blackmail on the one hand, and of entrepreneurial blackmail on the other. It would appear, however, that the Iberduero company's maneuvers, carrying out operations contrary to continuation of the project, have no other object than to develop positions of strength from which to enter future negotiations with the national and Basque governments. Or, in the face of indescribable pressures, to try to bring about, through the PNV, a solution to the contradictory problems of Basque nationalism. The outcome seems unpredictable.

Iberduero's decision to bring work to a halt has, again, a direct impact on the workers, who, through their unions--UGT [General Union of Workers], ELA-STV [Solidarity of Basque Workers]--and CCOO [Workers Commissions] have let it be known that they will not accept encumbrances arising from policy decisions alien to the workers themselves. Neither Iberduero's technical staff nor the rest of the workers--who have also suffered physically the violence of the ETA--consider themselves in the least responsible for the situation that has been created.

A 250-Billion Peseta Corpse

Meanwhile, Lemoniz as an inanimate object sits there: A towering hulk of an object in which 250 billion pesetas have already been invested and in whose construction, together with Iberduero, the Banco de Bilbao and the Banco de Vizcaya have participated, with a high level of risk in credits and advances, and a low level of capital assets which, according to financial sources, does not exceed 10 percent of Iberduero's investments. Stockholdings by savings institutions and small investors numbering up to about 80,000 make up the socioeconomic fabric of Lemoniz.

In Sum

For the Iberduero group, the creation of a public company that would take over the plant would be a definitive freeing of itself from a problem the political and economic cost to it of which would be enormous. It must be recalled that the group has its axis of operations and its business potential in the Basque region and that the cost to it of ETA's attacks, once the nuclear plant were to enter into operation, could be vastly greater.

The Basque government, for its part, finds itself bound to a situation that, if it is grave today because of the ETA's actions, it will in the future, and if the plant is completed without an end having first been put to the actions of the ETA, be equally so. What can it do once the plant is completed? Four months ago, Calvo Sotelo's government denied the Basque Parliament's request to hold a referendum on the future of Lemoniz.

The affected workers, once again, will bear the brunt of the Solomonic last-resort decisions that will unavoidably have to be taken.

According to socialist Carlos Solchaga, "We will never agree to the delaying of completion of the plant for reasons of blackmail through assassination and terrorism. We have proposed and have long advocated a referendum, and have reiterated our request during the debate on Lemoniz in the Basque Parliament. The Calvo Sotelo government has denied it. There can now be a rational debate on the putting into service of the plant and we will accept the decision. But what is totally unacceptable under any concept whatsoever is terrorist blackmail, which has been responsible for the loss of so many human lives."

Anomalies and Terror

1972--Construction of the nuclear power plant is begun without prior authorization from the General Directorate of Energy (Ministry of Industry).

1974--Above authorization is issued, but the ayuntamientos of Munguia and Lemoniz have not issued works permits. In 1979, the government, in a cabinet meeting, designates the zone as "industrial."

1976--First demonstration against the power plant, organized by the Committee for the Protection of a Non-Nuclear Basque Coast.

1977--First ETA attacks against Iberduero.

1978--ETA kills two workers and wounds 14 others in an attack against one of the nuclear plant generators.

1981--In February, ETA kidnaps and murders the power plant's engineer, Jose Maria Ryan. Popular indignation against this terrorist assassination was immediate. The Basque people, and especially the working class among them, demonstrate against terrorist methods.

1982--In March, the Basque government and the central government reach agreement to form a public operating entity for Lemoniz. This agreement was followed a few days later by a three-way--Iberduero-Basque government-central government--agreement. On 5 May, the date scheduled for the formation of the operating company, at 8 a.m., the chief engineer of the Lemoniz works project, Angel Pascual Mujica, was murdered.

No Safety Plans

The Lemoniz power plant has repeatedly been labeled "not desirable," because of the site on which it is installed and because the population density surrounding it far exceeds the maximum criteria established by American legislation in 1975 in this respect. According to Professor and Member of the Basque Parliament Juan Eguiagaray, there exist several unsafeties. One of these is the fact that the meteorological studies that have been carried out have yielded only uncertainties. The problem of nuclear wastes is structural. But in addition, Lemoniz has two problems of first-order magnitude that have not yet been resolved: An auditing of the manner in which the plant has been built is lacking, and the one built by the Belgian company Vincotte is undergoing suspicious delays; and an emergency plan is lacking for the evacuation of inhabitants from a 16-kilometer area [as published] as is a plan for the protection of a farming perimeter of 80 kilometers against contamination.

9238
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ARABS APPEAR TO BE DISSATISFIED WITH TURKISH POSITIONS ON ISRAEL

London AL-HAWADITH in Arabic No 1332, 14 May 82 p 37

[Article by Muhammad Sa'id al-Junaydi]

[Text] Whenever Arabs open a conversation with Turkish leaders on the subject of their "good" relations with Israel, the Turkish reply by reminding the Arabs of what the Ottomans did for Palestine. The Turks say: When Turkey was suffering from pain in the joints on the bed of Europe's sick man and needed someone to pay its medical bill, the sultans rejected all the financial inducements offered by the Jews even for a piece of paper or an unsigned statement and refused, therefore, to sell Palestine to the Jews. And in those days they had the power to bargain and sell.

As one of the Arab diplomats in Ankara says, the Arabs understand and appreciate the significance of this historical stand of the Turks. Hence they acknowledged it to be within the framework of correct behavior and diplomacy. But it appears the Turks interpret the historical stands the way they want. Moreover, they are trying to collect the price of the positive stands of their sultans. On one occasion, according to the Arab diplomat, the Arabs offered their interpretation of the stand of the then Sublime Porte, namely, the sultans acted from a position of their historical responsibility at that time like the caliphs of the Muslims. If they had done otherwise, their stand would have been equivalent to a betrayal of the trust.... If the English had sold Palestine, it would not be possible to compare them with the Turks, for the English occupied the land while the Turks ruled in the name of Islam, although the result was the same in both cases. Worse than that, the Turks turned against the principles of their ancestors. This is an indication that the ancestors acted to "preserve the trust." The behavior of the Turks of Ataturk was oriented to the "west" and not to the east when yesterday's brothers became today's enemies. Friends and enemies exchanged positions and roles. The Turks say the Arabs are in the right, but they were the first to have "turned" and the first to have stabbed (Turkey) in the back. The stab was lethal, and the empire came to an end and its symbols and moral practices were buried with it. So too its relations (with others). The result was Turkey became isolated among all the Islamic states when it established friendly relations with Israel beginning with diplomatic relations, then economic relations, and finally exchange of strategic interests. Some (other) Islamic states followed suit--and the rest of the story is known.

After Turkey occupied a large part of Cyprus, it faced political and economic pressures even from its NATO allies. These pressures intensified as a result of the emergence of new factors both in the Turkish arena and in the European and American arenas, the source of military, diplomatic, and economic financing for Turkey. These factors include: (1) the world-wide economic depression from which Europe and Turkey itself are suffering; (2) the army's seizure of the government; (3) Papandreu's coming to power in Greece and his turning to the Arab World, support of the PLO, and harshness toward Israel; (4) perhaps the most important, the appearance of the Arabs as financiers of large economic projects in the industrial countries, as sources of credit, and Saudi Arabia's undertaking to allocate a part of its aid to Islamic countries within the scope of the aid program offered to Third World countries.

These factors together impelled the Turkish leaders to devise new ways of dealing with the Arab World. It began to offer concessions for economic and political support. Last year Turkey took an important step when it cancelled air flights to Israel and lowered the level of its diplomatic representation in that country. There is no doubt that Turkey obtained the price of these concessions, especially when the volume of its trade with the Arab World doubled. Its economic relations with the Arab World strengthened when it signed an oil pipeline agreement with Iraq.... But these concessions were not sufficient, especially since the Turks promised the Arab diplomats they would study the subject of breaking diplomatic relations with Israel. As for the economic relations, this is an easy matter, according to a Turkish official. It can be handled quietly without any outcry worth mentioning.

But it appears the Turks didn't keep their promises. There was more to it than that. The Arab Diplomatic Council in Ankara felt there was a kind of backsliding by the Turks, perhaps involving the Turkish airline itself.

Last month, a number of Arab diplomats requested an urgent meeting with Turkish foreign minister Ilter Turkan. The ambassadors actually met with him in the presence of a PLO representative, Abu Firas. Informed circles say the Arabs asked the Turkish government to deny facilities to the Israeli airline EL AL, which flies between Tel Aviv and Istanbul.... Zionist circles in London claim the PLO representative asked for the breaking of all kinds of relations with Israel, but the Turkish minister refused the request. These circles also say the Turkish minister told the Arab diplomats in the above-mentioned Ankara meeting that Turkey had acted against its interests in order to offer this good initiative in behalf of the Arabs when it halted flights between Istanbul and Tel Aviv. The same circles also claim the Turkish minister said word for word what Truman said before: "We have Jewish citizens who visit Israel from time to time. If we stop EL AL, we will be punishing these citizens and then be accused of discriminating between Turks and Jews." Moreover, the Turkish minister also refused to break diplomatic relations with Israel on the ground that such action would harm Turkish trade relations with the West. The consequences of this meeting with the Turkish minister did not stop there. The Turkish minister is said to have exhibited unusual nervousness during the talks. However, he did not go beyond the framework of diplomatic propriety. An observer says the Turkish minister sent a letter with one of his friends known to be sympathetic to the Arabs

to an Arab diplomat. The letter dealt with the following question: "How can you ask Turkey to break diplomatic and trade relations with Israel when there is an Arab government, i.e., Egypt, that recognized Israel and established diplomatic and trade relations with it? There's the Israeli flag flying next to minarets in the Cairo of al-Mu'izz and 'Abd al-Nasir."

Moreover, Turkish officials feel they are acting from a position of strength, not weakness, for two main reasons. First, the appearance of Papandreu on the stage of events and his threat to withdraw from NATO. This has made Turkey very important for the defense of the southern flank of the alliance. Turkish officials have played on this sensitive string. They have suggested themselves as defenders of the European extension to the Mediterranean Sea, a strategic and indispensable extension. This despite the support that Papandreu receives from a number of European states because Turkey is governed by a military dictator and the democratic states cannot be false to their basic principles whereby they demand that the military regime in Poland be changed. The Turkish minister of foreign affairs replied to Papandreu, saying: "We need steadfastness and strength more than at any time in the past in order to meet the challenges posed by Afghanistan and Poland. To weaken our economy is to weaken our defensive power, which means a defeat for the countries that urge that." The second reason for their feeling of strength is the transfer of the technology of American listening posts from Iran's northern borders with the Soviet Union to Turkey's northern borders with it. This is what America cannot do without. Greece's stand may create strength rather than weakness for the Turkish regime.

These are the reasons for the silence observed in the European states on the eve of the trial of Ecevit and his associates and for the failure to take this occasion to criticize the military regime and demand the return of democracy to Turkey. It was also said in this connection that the European Economic Community released the aid to Turkey that it had suspended last year in the amount of \$600 million in addition to the aid normally provided by the Common Market countries amounting to \$33 million. The Common Market countries had frozen it in an attempt to pressure the Turkish president General Evren to introduce a democratic framework into the Turkish regime.

Last year all the circumstances were favorable for applying effective pressure to the Turks. They offered concessions in behalf of the Arab cause. This year the circumstances favor Turkish intransigence. Turkey really cannot confront the European states and America in an open battle with Israel for the sake of the Arabs. The Turkish army needs to strengthen its power and curb the movements of the political leaders and humiliate them if it proves necessary. This is a favorable time for such activity. Consequently, Arab activity at this time will not by itself lead to the desired result unless it aims at winning over Papandreu in accordance with the proverb "He who warns is excused."

5214
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NEW FAST PATROL BOATS TO BE EQUIPPED WITH EXOCET

Paris LE MONDE in French 12 May 82 p 13

[Report from LE MONDE correspondent in Cherbourg: "The French Navy Orders Fast Patrol Boats at the Cherbourg Shipyards"]

[Text] Cherbourg--The first stage of a shipbuilding program designed to meet the tasks of coastal defense or public service around metropolitan France or French overseas territories, an order for six fast patrol boats has just been given to the CMN [Mechanical Construction Company of Normandy] by the DTCN [Technical Directorate of Naval Construction], acting as agent for the French Navy.

Estimated to cost 600 million francs, the final agreement would in fact involve the building of a dozen 400-ton patrol boats, four of them intended for public service. In competition with several other French shipyards, the CMN in Cherbourg was selected after it presented two versions of the craft--one for combat proper and the other for public service--with the same hull originating from the missile-launching gunboats which have been a specialty of the Cherbourg yards and have been exported to many countries.

The program which has just been approved has the merit of meeting two concerns of the general staff: Military missions and civilian surveillance assignments.

The alternative proposed by the CMN has the advantage of fulfilling this two-fold requirement by adopting the same characteristics and basic performances for the so-called P-400 gunboats program for strictly military purposes and for the SP 400 public service boats (i.e., public service boats of 400 tons) which it had originally been planned to limit to 300 tons.

Stemming directly from the "Trident"-type fast patrol boats, which weigh only 130 tons, the P-400 craft will have a maximum speed under 30 knots (55 km an hour) and will be armed with a cannon and with Exocet sea-to-sea missiles. The first four patrol boats could be assigned to French overseas bases as soon as they enter service in 1984. With an identical hull but simplified armament, the first two SP 400's, equipped with water cannons and antipollution devices, will likely be slated to serve in the coastal waters of the English Channel-Atlantic littoral.

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July 9, 1982